

Student Athlete Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jordan D. Teuscher

Senate Sponsor:

LONG TITLE**General Description:**

This bill creates provisions related to an institution compensating a student athlete for the use of the student athlete's name, image, or likeness.

Highlighted Provisions:

This bill:

- defines terms;
- makes technical and conforming changes;
- allows an institution of higher education to use certain funds to compensate a student athlete directly for the use of the student athlete's name, image, or likeness;
- provides certain protections to institutions and student athletes; and
- creates an audit requirement for the Utah Board of Higher Education.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:**AMENDS:**

53B-1-301, as last amended by Laws of Utah 2024, Chapter 3

53B-16-601, as enacted by Laws of Utah 2024, Chapter 49

53B-16-602, as enacted by Laws of Utah 2024, Chapter 49

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **53B-1-301** is amended to read:

53B-1-301 . Reports to and actions of the Higher Education Appropriations

Subcommittee.

- (1) In accordance with applicable provisions and Section 68-3-14, the following recurring reports are due to the Higher Education Appropriations Subcommittee:

- (a) the reports described in Sections 53B-1-116, 53B-1-117, and 53B-1-118;
- (b) the reports described in Sections 34A-2-202.5, 53B-30-206, and 59-9-102.5 by the Rocky Mountain Center for Occupational and Environmental Health;
- (c) the report described in Section 53B-7-101 by the board on recommended appropriations for higher education institutions, including the report described in Section 53B-8-104 by the board on the effects of offering nonresident partial tuition scholarships;
- (d) the report described in Section 53B-7-704 by the Department of Workforce Services and the Governor's Office of Economic Opportunity on targeted jobs;
- (e) the reports described in Section 53B-7-705 by the board on performance;
- (f) the report described in Section 53B-8-201 by the board on the Opportunity Scholarship Program;
- (g) the report described in Section 53B-8d-104 by the Division of Child and Family Services on tuition waivers for wards of the state;
- (h) the report described in Section 53B-13a-103 by the board on the Utah Promise Program;
- (i) the report described in Section 53B-16-602 by the board on a state institution compensating a student athlete for the use of the student athlete's name, image, or likeness;
- ~~[(j)]~~ (j) the report described in Section 53B-17-201 by the University of Utah regarding the Miners' Hospital for Disabled Miners;
- ~~[(j)]~~ ~~(k)~~ the report described in Section 53B-26-202 by the Medical Education Council on projected demand for nursing professionals;
- ~~[(k)]~~ (l) the report described in Section 53B-35-202 regarding the Higher Education and Corrections Council; and
- ~~[(t)]~~ ~~(m)~~ the report described in Section 53E-10-308 by the State Board of Education and board on student participation in the concurrent enrollment program.
- (2) In accordance with applicable provisions and Section 68-3-14, the following occasional reports are due to the Higher Education Appropriations Subcommittee:
- (a) upon request, the information described in Section 53B-8a-111 submitted by the Utah Educational Savings Plan;
- (b) a proposal described in Section 53B-26-202 by an eligible program to respond to projected demand for nursing professionals; and
- (c) a report in 2023 from Utah Valley University and the Utah Fire Prevention Board on

the fire and rescue training program described in Section 53B-29-202.

- (3) In accordance with applicable provisions, the Higher Education Appropriations Subcommittee shall complete the following:
- (a) an appropriation recommendation described in Section 53B-1-118 regarding compliance with Subsections 53B-1-118(5) and (14);
 - (b) as required by Section 53B-7-703, the review of performance funding described in Section 53B-7-703;
 - (c) an appropriation recommendation described in Section 53B-26-202 to fund a proposal responding to projected demand for nursing professionals; and
 - (d) review of the report described in Section 63B-10-301 by the University of Utah on the status of a bond and bond payments specified in Section 63B-10-301.

Section 2. Section **53B-16-601** is amended to read:

53B-16-601 . Definitions.

As used in this part:

- (1) "Athlete agent" means the same as that term is defined in Section 58-87-102.
- (2) "Athletic entity" means an athletic association, athletic conference, or other group or organization with authority over intercollegiate athletics.
- (3) "Institution" means:
 - (a) an institution of higher education described in Section 53B-1-102; or
 - (b) a private, nonprofit institution of higher education.
- (4)(a) "Institutional marketing associate" means a third-party entity that enters into a contract with, or acts on behalf of, an institution or intercollegiate athletics program.
- (b) "Institutional marketing associate" does not include:
 - (i) an institution;
 - (ii) an athletic entity; or
 - (iii) a staff member, employee, officer, director, manager, or owner of an institution.
- [(2)] (5) "Intercollegiate athletics program" means an institution-sponsored athletic program or sporting activity in which a student athlete represents the student athlete's institution in competition against another institution.
- [(3)] (6) "Prohibited endorsement provision" means a provision that requires or permits the use of a student athlete's name, image, or likeness to promote:
 - (a) a tobacco product or e-cigarettes, as those terms are defined in Section 76-10-101, including vaping;
 - (b) an alcoholic product, as that term is defined in Section 32B-1-102;

(c) a seller or dispenser of a controlled substance, including steroids, antibiotics, and marijuana;

(d) gambling or betting;

(e) a sexually oriented business, as that term is defined in Section 17-50-331; or

(f) a firearm that the student athlete cannot legally purchase.

[(4)] (7)(a) "Student athlete" means an individual who:

(i) is enrolled in an institution; and

(ii) participates as an athlete for the institution in an intercollegiate athletics program.

(b) "Student athlete" includes an agent or other representative of a student athlete.

[(5)] (8) "Student athlete agreement" means a proposed or executed contract:

(a) between a student athlete and a third party that is not an institution; and

(b) in which the student athlete and third party agree that the student athlete's name, image, or likeness may be used to promote a business, product, service, or individual in exchange for the student athlete receiving financial compensation or other benefits.

(9) "Third-party entity" means an individual or organization, other than an athletic entity, with authority over intercollegiate athletics.

Section 3. Section 53B-16-602 is amended to read:

53B-16-602 . Use of a student athlete's name, image, or likeness in intercollegiate athletics programs -- Contracts -- Exceptions -- Prohibitions.

(1) An institution may:

(a) except as provided in Subsection (2), compensate a student athlete directly for use of the student athlete's name, image, or likeness; and

(b) provide funds, assets, resources, or benefits to an institutional marketing associate or third-party entity to incentivize the institutional marketing associate or third-party entity to facilitate opportunities for a student athlete to earn compensation for use of the student athlete's name, image, or likeness.

(2) An institution may not compensate a student athlete or prospective student athlete for use of the student athlete's name, image, or likeness through:

(a) state funds;

(b) funds the Legislature appropriates;

(c) a fee a student attending an institution pays to the institution; or

(d) a fee an individual pays to the institution on behalf of a student attending an institution.

(3) A contract between an institution and a student athlete that provides a student athlete

with compensation for the use of the student athlete's name, image, or likeness is a public record subject to Title 63G, Chapter 2, Government Records Access and Management Act.

(4)(a) A student athlete may not enter into a student athlete agreement that contains a prohibited endorsement provision.

[(2)] (b) Before a student athlete or prospective student athlete enters into a student athlete agreement that exceeds \$600 in value, the student athlete or proposed student athlete shall provide the student athlete agreement to the student athlete's or proposed student athlete's institution.

[(3)] (c) An institution that receives a student athlete agreement under Subsection [(2)] (4)(b) shall provide the student athlete or prospective student athlete with a written acknowledgment regarding whether the student athlete agreement conflicts with the institution's policies or the provisions in this part.

[(4)] (d) A student athlete agreement or any communication, or other material related to a student athlete agreement, including those created before May 1, 2024, is not subject to Title 63G, Chapter 2, Government Records Access Management Act.

~~[(5) An institution may not use funds appropriated by the Legislature for any purpose related to a student athlete's or prospective student athlete's student athlete agreement that the student athlete or prospective student athlete submits to the institution.]~~

(5) A student athlete attending an institution is not an employee of the institution through:

(a) the student athlete's participation in an athletic program the institution offers; or

(b) the institution compensating the student athlete for use of the student athlete's name, image, or likeness.

(6) The board shall:

(a) beginning fiscal year 2028 and every five years thereafter, conduct an audit of each state institution that evaluates:

(i) money an institution expends to directly compensate a student athlete for the use of the student athlete's name, image, or likeness; and

(ii) the implementation and use of payments by an institution to a student athlete for a student athlete's name, image, or likeness; and

(b) prepare and submit a written report for the audit described in Subsection (6)(a) to the Education Interim Committee and the Higher Education Appropriations Subcommittee.

(7) An athletic entity may not:

- (a) prevent a student athlete of an institution from fully participating in intercollegiate athletics because the student athlete:
- (i) earns compensation through the student athlete's name, image, or likeness or any other compensation related to the student athlete's position on the roster of an intercollegiate athletics team; or
- (ii) obtains professional representation from an athlete agent or attorney;
- (b) prevent an institution from becoming a member of an athletic entity or from participating in intercollegiate athletics that an athletic entity sponsors because a student athlete of an institution or college participating in intercollegiate athletics:
- (i) earns compensation from the use of the student athlete's name, image, or likeness or any other compensation related to the student athlete's position on the roster of an intercollegiate athletics team; or
- (ii) obtains professional representation from an athlete agent or attorney;
- (c) consider a complaint, initiate an investigation, or take any adverse action against an institution, institutional marketing associate, or third-party entity for engaging in conduct authorized under this section;
- (d) penalize or prevent an institution or student athlete from participating in intercollegiate athletics because an individual or third-party entity, whose purpose includes supporting or benefiting the institution or student athlete, violates a rule or regulation of the athletic entity that addresses compensation for use of a student athlete's name, image, or likeness;
- (e) prevent an institution, institutional marketing associate, or third-party entity from:
- (i) creating and supporting opportunities for a student athlete to earn compensation for use of the student athlete's name, image, or likeness; or
- (ii) compensating a student athlete for use of the student athlete's name, image, or likeness; and
- (f) prevent any other compensation.

Section 4. Effective Date.

This bill takes effect on May 7, 2025.