

Jordan D. Teuscher proposes the following substitute bill:

Student Athlete Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jordan D. Teuscher

Senate Sponsor: Ann Millner

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;
 - ~~[(i)]~~ (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
 - ~~[(l)]~~ (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

63 projected demand for nursing professionals; and

64 (c) a report in 2023 from Utah Valley University and the Utah Fire Prevention Board on
65 the fire and rescue training program described in Section 53B-29-202.

66 (3) In accordance with applicable provisions, the Higher Education Appropriations
67 Subcommittee shall complete the following:

68 (a) an appropriation recommendation described in Section 53B-1-118 regarding
69 compliance with Subsections 53B-1-118(5) and (14);

70 (b) as required by Section 53B-7-703, the review of performance funding described in
71 Section 53B-7-703;

72 (c) an appropriation recommendation described in Section 53B-26-202 to fund a
73 proposal responding to projected demand for nursing professionals; and

74 (d) review of the report described in Section 63B-10-301 by the University of Utah on
75 the status of a bond and bond payments specified in Section 63B-10-301.

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

77 **53B-16-601 . Definitions.**

78 As used in this part:

79 (1) "Athlete agent" means the same as that term is defined in Section 58-87-102.

80 (2) "Athletic entity" means an athletic association, athletic conference, or other group or
81 organization with authority over intercollegiate athletics.

82 (3) "Institution" means:

83 (a) an institution of higher education described in Section 53B-1-102; or

84 (b) a private, nonprofit institution of higher education.

85 (4)(a) "Institutional marketing associate" means a third-party entity that enters into a
86 contract with, or acts on behalf of, an institution or intercollegiate athletics program.

87 (b) "Institutional marketing associate" does not include:

88 (i) an institution;

89 (ii) an athletic entity; or

90 (iii) a staff member, employee, officer, director, manager, or owner of an institution.

91 [(2)] (5) "Intercollegiate athletics program" means an institution-sponsored athletic program
92 or sporting activity in which a student athlete represents the student athlete's institution
93 in competition against another institution.

94 [(3)] (6) "Prohibited endorsement provision" means a provision that requires or permits the
95 use of a student athlete's name, image, or likeness to promote:

96 (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]~~ another party; and

(b) in which the student athlete and ~~[third]~~ other party agree that the student athlete's name, image, or likeness may be used to promote a business, person, 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, except as provided in Subsection (2), compensate a student athlete directly 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) funds the Legislature appropriates; or

(b) a fee a student attending an institution pays to the institution.

~~(3)~~(a) A student athlete may not enter into a student athlete agreement that contains a prohibited endorsement provision.

~~[(2) 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) An institution that receives a student athlete agreement under Subsection (2) 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)] (b) 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.]

(4) 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.

(5) 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 (5)(a) to the Education Interim Committee and the Higher Education Appropriations Subcommittee.

(6) 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

(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;

165 or
166 (ii) obtains professional representation from an athlete agent or attorney; or
167 (c) prevent an institution, institutional marketing associate, or third-party entity from
168 creating and supporting opportunities for a student athlete to earn compensation for
169 use of the student athlete's name, image, or likeness.

170 Section 4. **Effective Date.**

171 This bill takes effect on May 7, 2025.