

**SUBSTITUTE FOR  
HOUSE BILL NO. 5217**

A bill to prohibit postsecondary educational institutions in this state and certain athletic organizations from preventing a college athlete from receiving compensation for the use of his or her name, image, or likeness rights.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1. (1) As used in this act, "postsecondary educational  
2 institution" means a public or private institution in this state  
3 that offers a degree or course of study beyond the twelfth grade  
4 and receives state or federal funding of any kind.

5           (2) A postsecondary educational institution shall not uphold  
6 any rule, requirement, standard, or other limitation that prevents  
7 a student of that institution from fully participating in  
8 intercollegiate athletics based upon the student earning



1 compensation as a result of the student's use of his or her name,  
2 image, or likeness rights. Earning compensation from the use of a  
3 student's name, image, or likeness rights shall not affect a  
4 student's scholarship eligibility or renewal.

5 Sec. 2. An athletic association, conference, or other group or  
6 organization with authority over intercollegiate athletics,  
7 including, but not limited to, the National Collegiate Athletic  
8 Association, shall not do either of the following:

9 (a) Prevent a student of a postsecondary educational  
10 institution from fully participating in intercollegiate athletics  
11 based upon the student earning compensation as a result of the  
12 student's use of his or her name, image, or likeness rights.

13 (b) Prevent a postsecondary educational institution from fully  
14 participating in intercollegiate athletics without penalty based  
15 upon a student's use of his or her name, image, or likeness rights.

16 Sec. 3. A postsecondary educational institution, athletic  
17 association, conference, or other group or organization with  
18 authority over intercollegiate athletics shall not do either of the  
19 following:

20 (a) Provide a prospective college athlete who will attend a  
21 postsecondary educational institution with compensation in relation  
22 to the athlete's name, image, or likeness rights.

23 (b) Prevent a student who resides in this state and  
24 participates in intercollegiate athletics from obtaining  
25 professional representation in relation to contracts or legal  
26 matters regarding opportunities to be compensated for use of the  
27 student's name, image, or likeness rights, including, but not  
28 limited to, representation provided by an athlete agent or legal  
29 representation provided by an attorney.



1           Sec. 4. For purposes of this act, an athletics grant-in aid or  
2 stipend scholarship from a postsecondary educational institution in  
3 which a student is enrolled is not compensation for use of a  
4 student's name, image, or likeness rights, and the institution  
5 shall not revoke or reduce an athletics grant-in aid or stipend  
6 scholarship based upon a student earning compensation in accordance  
7 with this act.

8           Sec. 5. (1) A postsecondary educational institution, athletic  
9 association, conference, or other group or organization with  
10 authority over intercollegiate athletics shall not interfere with  
11 or prevent a student from fully participating in intercollegiate  
12 athletics based upon the student obtaining professional  
13 representation in relation to contracts or legal matters regarding  
14 the student's opportunities to earn compensation for the student's  
15 use of his or her name, image, or likeness rights, including, but  
16 not limited to, representation provided by an athlete agent or  
17 financial advisor, or legal representation provided by an attorney.

18           (2) An athletic association, conference, or other group or  
19 organization with authority over intercollegiate athletics,  
20 including, but not limited to, the National Collegiate Athletic  
21 Association, shall not prevent a postsecondary educational  
22 institution from fully participating in intercollegiate athletics  
23 without penalty as a result of a student obtaining professional  
24 representation in relation to contracts or legal matters regarding  
25 the student's opportunities to earn compensation for the student's  
26 use of his or her name, image, or likeness rights, including, but  
27 not limited to, representation provided by an athlete agent or  
28 financial advisor, or legal representation by an attorney.

29           (3) For purposes of this section, professional representation



1 by an athlete agent, financial advisor, or attorney must be  
2 provided by persons licensed in this state, as applicable.

3       Sec. 6. A student shall not enter into an apparel contract  
4 providing compensation to the student for use of his or her name,  
5 image, or likeness rights that requires the student to display a  
6 sponsor's apparel, or otherwise advertise for a sponsor, during  
7 official team activities if the provision is in conflict with a  
8 provision of the student's postsecondary educational institution's  
9 team contract.

10       Sec. 7. (1) A student who intends to enter into a verbal or  
11 written opportunity or contract that would provide compensation to  
12 the student for use of his or her name, image, or likeness rights  
13 shall disclose the proposed opportunity or contract to a designated  
14 official of the postsecondary educational institution that the  
15 student attends, as designated by that institution, at least 7 days  
16 prior to committing to the opportunity or contract, for review by  
17 that institution.

18       (2) If the postsecondary educational institution described in  
19 subsection (1) identifies a conflict between the student's proposed  
20 opportunity or contract and any existing agreements of the  
21 postsecondary educational institution and communicates that  
22 conflict to the student, the student shall not enter into the  
23 opportunity or contract, but may negotiate a revision of the  
24 opportunity or contract so that the conflict is avoided, subject to  
25 additional review and approval by the postsecondary educational  
26 institution in accordance with this section.

27       (3) A team contract of a postsecondary educational  
28 institution's athletic program shall not prevent a student from  
29 receiving compensation for using his or her name, image, or



1 likeness rights for a commercial purpose when the student is not  
2 engaged in official team activities.

3 (4) This section does not apply to a contract entered into,  
4 modified, or renewed on or before the effective date of this act.

5 Sec. 8. A legal settlement arising under this act shall not  
6 permit noncompliance with this act.

7 Sec. 9. (1) By December 31, 2020 and by December 31, 2021, any  
8 nonprofit trade association that represents postsecondary  
9 educational institutions in this state shall provide for each of  
10 those years, respectively, a written summary of both of the  
11 following to the chair of the appropriations committee of the house  
12 of representatives, the chair of the appropriations committee of  
13 the senate, and the chair of the ways and means committee of the  
14 house of representatives:

15 (a) Progress made by the National Collegiate Athletic  
16 Association toward the development of a national policy, including  
17 updates to relevant bylaws and rules, on student athlete name,  
18 image, and likeness compensation, as directed by that association's  
19 board of governors on October 29, 2019.

20 (b) Congressional action on legislation on student athlete  
21 name, image, and likeness compensation, including, but not limited  
22 to, the proposed congressional advisory commission on  
23 intercollegiate athletics act of 2019, as proposed by H.R. 5528 of  
24 the 116th Congress.

25 (2) By June 30, 2022, any nonprofit trade association that  
26 represents postsecondary educational institutions in this state  
27 shall provide to the chair of the appropriations committee of the  
28 house of representatives, the chair of the appropriations committee  
29 of the senate, and the chair of the ways and means committee of the



1 house of representatives a written summary of the preparedness of  
2 the association's respective member institutions toward  
3 implementation of this act.

4       Sec. 10. (1) This act does not require a postsecondary  
5 educational institution, athletic association, conference, or other  
6 group or organization with authority over intercollegiate athletics  
7 to identify, create, facilitate, negotiate, or otherwise enable  
8 opportunities for a student to earn compensation for the student's  
9 use of his or her name, image, or likeness rights.

10       (2) This act does not establish or bestow the right of a  
11 student to use the name, trademarks, services marks, logos, or  
12 symbols, whether registered or not, of a postsecondary educational  
13 institution, athletic association, conference, or other group or  
14 organization with authority over intercollegiate athletics, in  
15 furtherance of the student's opportunities to earn compensation for  
16 the student's use of his or her name, image, or likeness rights.

17       (3) This act does not limit the right of a postsecondary  
18 educational institution to establish and enforce any of the  
19 following:

20       (a) Academic standards, requirements, regulations, or  
21 obligations for its students.

22       (b) Team rules of conduct or other rules of conduct.

23       (c) Standards or policies regarding the governance or  
24 operation of or participation in intercollegiate varsity athletics.

25       (d) Disciplinary rules and standards generally applicable to  
26 all students of the postsecondary educational institution.

27       Sec. 11. (1) Sections 9 and 11 of this act take effect on the  
28 date it is enacted into law.

29       (2) Sections 1, 2, 3, 4, 5, 6, 7, 8, and 10 of this act take



1 effect December 31, 2022.

2 Enacting section 1. (1) Sections 9 and 11 of this act take  
3 effect on the date it is enacted into law.

4 (2) Sections 1, 2, 3, 4, 5, 6, 7, 8, and 10 of this act take  
5 effect December 31, 2022.

