

STATE OF NEW YORK

5115--C

2021-2022 Regular Sessions

IN ASSEMBLY

February 11, 2021

Introduced by M. of A. SOLAGES, MAGNARELLI -- read once and referred to the Committee on Higher Education -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Higher Education in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the education law, in relation to enacting the "New York collegiate athletic participation compensation act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as
2 the "New York collegiate athletic participation compensation act".

3 § 2. The education law is amended by adding a new section 6438-a to
4 read as follows:

5 § 6438-a. Student-athlete compensation. 1. (a) A college shall not
6 uphold any rule, requirement, standard, or other limitation that
7 prevents a student of that institution participating in intercollegiate
8 athletics from earning compensation pursuant to this section including
9 as a result of the use of the student's name, image, or likeness. Earn-
10 ing compensation as a result of the use of a student's name, image, or
11 likeness shall not affect the student's scholarship eligibility.

12 (b) An athletic association, conference, or other group or organiza-
13 tion with authority over intercollegiate athletics, including, but not
14 limited to, the National Collegiate Athletic Association (NCAA), shall
15 not prevent a student of a college participating in intercollegiate
16 athletics from earning compensation pursuant to this section including
17 as a result of the use of the student's name, image, or likeness.

18 (c) An athletic association, conference, or other group or organiza-
19 tion with authority over intercollegiate athletics, including, but not

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 limited to, the National Collegiate Athletic Association (NCAA), shall
2 not prevent a college from participating in intercollegiate athletics as
3 a result of the compensation of a student-athlete pursuant to this
4 section including for the use of the student's name, image, or likeness.

5 2. A college, athletic association, conference, or other group or
6 organization with authority over intercollegiate athletics shall not
7 provide a prospective student-athlete with compensation in relation to
8 the athlete's name, image, or likeness.

9 3. (a) A college, athletic association, conference, or other group or
10 organization with authority over intercollegiate athletics shall not
11 prevent a student-athlete participating in intercollegiate athletics
12 from obtaining professional representation in relation to contracts or
13 legal matters, including, but not limited to, representation provided by
14 athlete agents or legal representation provided by attorneys.

15 (b) Professional representation obtained by student-athletes shall be
16 from persons registered and/or licensed by the state. Professional
17 representation provided by athlete agents shall be by persons registered
18 pursuant to article thirty-nine-E of the general business law. Legal
19 representation of student-athletes shall be by attorneys licensed pursu-
20 ant to article fifteen of the judiciary law.

21 (c) Athlete agents representing student-athletes shall comply with the
22 federal Sports Agent Responsibility and Trust Act, established in chap-
23 ter 104 of title 15 of the United States Code, in their relationships
24 with student-athletes.

25 4. A scholarship from the college in which a student is enrolled that
26 provides the student with the cost of attendance at that institution is
27 not compensation for purposes of this section, and a scholarship shall
28 not be revoked as a result of earning compensation, or obtaining legal
29 or athletic agent representation.

30 5. (a) A student-athlete shall not enter into a contract providing
31 compensation to the athlete for use of the athlete's name, image, or
32 likeness if a provision of the contract causes a conflict as described
33 in paragraph (d) of this subdivision.

34 (b) A student-athlete who enters into a contract providing compen-
35 sation to the athlete for use of the athlete's name, image, or likeness
36 shall disclose the contract in advance of executing it to an official of
37 the college, to be designated by the college.

38 (c) A college asserting a conflict described in paragraph (a) of this
39 subdivision shall disclose to the athlete or the athlete's legal repre-
40 sentation the relevant contractual provisions that are in conflict;
41 provided, however, that a college shall not be required to disclose any
42 financial terms of such contract unless otherwise required by applicable
43 law.

44 (d) A college asserting a conflict described in paragraph (a) of this
45 subdivision may assert a conflict based on, but not limited to, the
46 following grounds:

47 (i) the proposed contract would cause the student to violate the team
48 contract; or

49 (ii) the proposed contract would cause the student to violate the
50 institution's student handbook or code of conduct; or

51 (iii) the proposed contract would conflict with an existing contract
52 or sponsorship the institution participates in; or

53 (iv) the proposed contract would reasonably be judged to cause finan-
54 cial loss or reputational damage to the institution; or

55 (v) the proposed contract would require actions by the player during
56 team activities; or

1 (vi) the proposed contract would require actions by the player during
2 scheduled classes; or

3 (vii) the proposed contract would use the institution's name, brand,
4 copywritten materials, trademarks, service marks, symbols, nicknames,
5 trade dress, insignia, mascot, uniform styles, colors, imagery, campus
6 landmarks, or any other intellectual property or indicia; or

7 (viii) the proposed contract would require the student to display a
8 sponsor's product, logo, brand, or other indicia, or otherwise advertise
9 for a sponsor, during official team activities or any other time, and
10 such sponsor is a competitor of, or offers products or services within
11 the same category as a sponsor of the college.

12 6. After the effective date of this section, a new team contract or a
13 renewal or modification of a team contract of a college's athletic
14 program shall not prevent a student-athlete from using the athlete's
15 name, image, or likeness for a commercial purpose when the athlete is
16 not engaged in official team activities, except where there is a
17 conflict as described in paragraph (d) of subdivision five of this
18 section or any other prohibition in this section.

19 7. Each college athletic program that participates in Division 1 NCAA
20 athletics shall offer a student-athlete assistance program or programs,
21 designed to provide student-athletes participating in Division 1 sports
22 with important tools aimed to enhance their well-being and experiences
23 in the classroom, off the field of play, and beyond their tenure as
24 student-athletes. The student-athlete assistance program may include but
25 not be limited to:

26 (a) A dedicated financial distress fund that would support enrolled
27 and/or current student-athletes in times of financial need. Disburse-
28 ments from such fund are not compensation for the purposes of this
29 section.

30 (b) Access to ongoing mental health support services provided by coun-
31 selors specially trained to understand the unique issues and pressures
32 student-athletes confront.

33 (c) Access to broad-based financial literacy training, with a specific
34 emphasis on the issues and opportunities relevant to student-athletes,
35 during and beyond their tenure at the college or university.

36 (d) A student-athlete degree completion assistance program that
37 provides former student-athletes who disenrolled from the institution in
38 good academic standing and who earned the NCAA Academic Progress Rate
39 eligibility point (for Division I institutions), before completing their
40 degree, access to need-based financial aid and counseling assistance
41 required to support undergraduate degree completion.

42 (e) Access to training regarding sex-based discrimination and harass-
43 ment that ensures student-athletes fully understand their rights and
44 responsibilities under the law, including how to make a report of
45 discrimination or harassment on their campus.

46 (f) Access to leadership training that will set the conditions for
47 student-athletes to become successful leaders, improve communication
48 skills, make positive decisions, and manage conflict.

49 (g) Access to a career development program, positioned to assist
50 student-athletes in transferring the valuable skills developed during
51 sport participation, to a successful post-college or university career.

52 8. For purposes of this section, "team contract" means any written
53 agreement between a student-athlete and a college, or division, depart-
54 ment, program or team thereof, which includes goals and objectives,
55 standards, prohibitions, broadcast, advertising or marketing rights or
56 consents, rules or expectations applicable to the student-athlete.

1 § 3. This act shall take effect immediately; provided, however, that
2 section 6438-a of the education law, as added by section two of this
3 act, shall take effect January 1, 2023.