

2024 Regular Session

SENATE BILL NO. 465

BY SENATOR TALBOT

AMUSEMENTS/SPORTS. Provides relative to intercollegiate athletes at a postsecondary education institution. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 17:3703(A), (D), (H)(1), (I), (K)(1), and (L) and to enact R.S.  
3 17:3703(K)(2)(c), relative to intercollegiate athlete's compensation and rights; to  
4 provide for institutions to participate in name, image, and likeness under certain  
5 circumstances; to provide for a marketing representative to represent an  
6 intercollegiate athlete; to provide for disclosure of the value of the athlete's name,  
7 image and likeness contract greater than a certain amount; to provide for a financial  
8 literacy and life skills workshop; to provide for immunity from liability under certain  
9 circumstances; to provide for resources to support an intercollegiate athlete's  
10 participation in name, image, and likeness; and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 17:3703(A), (D), (H)(1), (I), (K)(1), and (L) are hereby amended and  
13 reenacted and R.S. 17:3703(K)(2)(c) is hereby enacted to read as follows:

14 §3703. Intercollegiate athlete's compensation and rights; responsibilities of  
15 postsecondary education institutions

16 A.~~(1)~~ An intercollegiate athlete at a postsecondary education institution may  
17 earn compensation for the use of the athlete's name, image, or likeness **subject to the**

1 **following:** ~~Compensation shall be commensurate with the market value of the~~  
2 ~~authorized use of the athlete's name, image, or likeness:~~

3 ~~(2)(1)~~ To preserve the integrity, quality, character, and amateur nature of  
4 intercollegiate athletics and ~~to maintain a clear separation between amateur~~  
5 ~~intercollegiate athletics and professional sports~~ **to the extent prohibited by the**  
6 **rules of athletics governing associations**, a postsecondary education institution or  
7 an officer, director, employee, or agent of such institution shall not provide a current  
8 or prospective athlete with compensation for the use of the student athlete's name,  
9 image, or likeness: **unless authorized by one of the following:**

10 **(a) A court order nullifying or declaring unlawful current restrictions on**  
11 **player compensation.**

12 **(b) The bylaws or regulations of the athletics governing organization for**  
13 **the postsecondary educational institution.**

14 **(c) A settlement agreement or consent decree which has the same effect**  
15 **as a change in bylaws or regulations of an athletics governing organization.**

16 **(2) Notwithstanding any other provision of law, a postsecondary**  
17 **institution or an officer, director, employee, or agent of the institution may**  
18 **participate in name, image, and likeness endeavors directly and in support of**  
19 **intercollegiate athletes pursuant to Paragraph (1) of this Subsection.**

20 \* \* \*

21 D.~~(1)~~ A postsecondary education institution shall not prevent or unduly  
22 restrict an intercollegiate athlete from obtaining professional representation by an  
23 athlete agent, **marketing representative**, or an attorney engaged for the purpose of  
24 securing compensation for the use of the athlete's name, image, or likeness: **provided**  
25 **that:**

26 ~~(2)(1)~~ Professional representation obtained by an intercollegiate athlete shall  
27 be from persons registered with or licensed for such activity by the state as follows:

28 (a)(i) Representation provided by an athlete agent shall be by persons  
29 registered with the state in accordance with, and in compliance with, the provisions

1 of Chapter 7 of Title 4 of the Louisiana Revised Statutes of 1950. However, the  
 2 notification provisions of R.S. 4:424(D)(3) shall not apply to an athlete agent who  
 3 contacts an intercollegiate athlete for the sole purpose of representing the athlete in  
 4 matters pertaining to the use of the athlete's name, image, or likeness.

5 (ii) An athlete agent, or marketing representative, representing an  
 6 intercollegiate athlete shall comply with the federal Sports Agent Responsibility and  
 7 Trust Act, 15 U.S.C. 7801 through 7807, in his relationship with the intercollegiate  
 8 athlete.

9 (b) An attorney representing an intercollegiate athlete shall be duly licensed  
 10 to practice law.

11 \* \* \*

12 H.(1) An intercollegiate athlete shall not enter into a contract for  
 13 compensation for the use of the athlete's name, image, or likeness if a term of the  
 14 contract conflicts with a term of the intercollegiate athlete's athletic program's team  
 15 contract without the written approval of the institution's athletic department.

16 I. An intercollegiate athlete who enters into a contract for compensation for  
 17 the use of the athlete's name, image, or likeness with a value of six-hundred dollars  
 18 or more shall disclose the contract to the postsecondary education institution in  
 19 which the athlete is enrolled, in the manner designated by the institution.

20 \* \* \*

21 K.(1) A postsecondary education institution shall ~~conduct a~~ provide annual  
 22 financial literacy and life skills ~~workshop~~ training for a minimum of ~~five~~ two and  
 23 one half hours at the beginning of an intercollegiate athlete's first and third academic  
 24 years.

25 (2)(a)

\* \* \*

26 (c) The postsecondary education institution may provide resources in the  
 27 areas of financial responsibility, business formation, and marketing to support  
 28 an intercollegiate athlete's participation in name, image, and likeness endeavors.

29 \* \* \*

1 L. No postsecondary institution's **officers, directors, or** employees, including  
 2 athletics coaching staff, **educators, administrators, health care professionals,**  
 3 **consultants, other staff and agents, whether paid, volunteer, or compensated**  
 4 **through third parties,** shall be liable for any damages to an intercollegiate athlete's  
 5 ability to earn compensation for the use of the athlete's name, image, or likeness  
 6 resulting from decisions and actions routinely taken in the course of intercollegiate  
 7 athletics **or other matters relating directly or indirectly to an athlete's eligibility**  
 8 **to participate in intercollegiate athletics or profit from the use of the athlete's**  
 9 **name, image, and likeness, including but not limited to the administration of an**  
 10 **institutions's policies, procedures, codes of conduct, academic standards, health**  
 11 **and safety protocols, and related matters. No postsecondary institutions,**  
 12 **nonprofit organization, including its subsidiaries and affiliates, whether**  
 13 **nonprofit or otherwise, formally recognized by a postsecondary institution, and**  
 14 **no officer, director, employee, other staff member or agent of the institution or**  
 15 **organization, shall be liable in any manner, whether directly or indirectly,**  
 16 **under any theory of law or in equity, to current, former, or prospective**  
 17 **intercollegiate athlete based upon the performance, nonperformance, breach,**  
 18 **or termination of an agreement between the current, former, or prospective**  
 19 **intercollegiate athlete and a third party involving the payment of compensation**  
 20 **for name, image, or likeness.** However, nothing in this Subsection shall protect the  
 21 postsecondary institution or its employees from acts of gross negligence or wanton,  
 22 willful, malicious, or intentional misconduct.

23 \* \* \*

24 Section 2. This Act shall become effective upon signature by the governor or, if not  
 25 signed by the governor, upon expiration of the time for bills to become law without signature  
 26 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 27 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 28 effective on the day following such approval.

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The original instrument was prepared by Michael Bell. The following digest, which does not constitute a part of the legislative instrument, was prepared by Mary Francis Aucoin.

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## DIGEST

SB 465 Reengrossed

2024 Regular Session

Talbot

Present law allows an intercollegiate athlete at a postsecondary education institution to earn compensation for the use of the athlete's name, image, or likeness and requires that compensation must be commensurate with the market value of the authorized use of the athlete's name, image, or likeness.

Proposed law authorizes a postsecondary institution or an officer, director, employee, or agent of the institution to participate in name, image, and likeness endeavors directly and in support of intercollegiate athletes only in accordance with one of the following:

1. A court order nullifying or declaring unlawful current restrictions on player compensation.
2. The bylaws or regulations of the athletics governing organization for the postsecondary educational institution.
3. A settlement agreement or consent decree which has the same effect as a change in bylaws or regulations of an athletics governing organization.

Present law prohibits a postsecondary education institution from preventing or unduly restricting an intercollegiate athlete from obtaining professional representation by an athlete agent or an attorney engaged for the purpose of securing compensation for the use of the athlete's name, image, or likeness.

Proposed law retains present law and adds a marketing representative as a professional representative that an athlete can obtain to secure compensation for the use of the athlete's name, image, or likeness.

Present law prohibits an intercollegiate athlete from entering into a contract for compensation for the use of the athlete's name, image, or likeness if a term of the contract conflicts with a term of the intercollegiate athlete's athletic program's team contract.

Proposed law retains present law but requires written approval of the institution's athletic department in order for an intercollegiate athlete to enter into a contract that conflicts with a term of the intercollegiate athlete's athletic program's team contract.

Present law provides that an intercollegiate athlete who enters into a contract for compensation for the use of the athlete's name, image, or likeness must disclose the contract to the postsecondary education institution in which the athlete is enrolled, in the manner designated by the institution.

Proposed law retains present law but provides for the disclosure of the contract when the amount is \$600 or more.

Present law provides for a postsecondary education institution to conduct a financial literacy and life skills workshop for a minimum of five hours at the beginning of an intercollegiate athlete's first and third academic years.

Proposed law retains present law but changes when the financial literacy and life skills training must be provided from at the beginning of an intercollegiate athlete's first and third

academic years to annually.

Proposed law changes how long the financial literacy and life skills training must be provided from a minimum of five hours to a minimum of two and one half hours.

Proposed law provides that the postsecondary education institution may provide resources in the areas of financial responsibility, business formation, and marketing to support an intercollegiate athlete's participation in name, image, and likeness endeavors.

Proposed law provides for an exception to liability for any damages to an intercollegiate athlete's ability to earn compensation or other matters relating directly or indirectly to an athlete's eligibility to participate in athletics for a postsecondary institution's officers, directors, or employees, including its staff, educators, administrators, health care professionals, consultants, other staff and agents, whether paid, volunteer, or compensated through third parties.

Proposed law provides for an exception to liability in any manner based upon the performance, nonperformance, breach, or termination of an agreement between the intercollegiate athlete and a third party involving the payment of compensation for name, image, or likeness for postsecondary institutions, nonprofit organizations, officers, directors, employees, or other staff of the institution.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 17:3703(A), (D), (H)(1), (I), (K)(1), and (L); adds R.S. 17:3703(K)(2)(c))

#### Summary of Amendments Adopted by Senate

##### Senate Floor Amendments to engrossed bill

1. Adds the need for written approval of the institution's athletic department in certain circumstances.
2. Provides for annual training for a minimum of two and one half hours.
3. Provides for exceptions to liability.