

SENATE BILL NO. 271

INTRODUCED BY E. BOLDMAN, W. GALT, S. NOVAK, C. NEUMANN, S. ROSENZWEIG, E. MATTHEWS, A. REGIER, D. HARVEY, D. LOGE, M. REGIER, S. FITZPATRICK, K. WALSH, R. MINER, P. FLOWERS, G. HERTZ, B. MERCER, B. MITCHELL, S. MORIGEAU, P. TUSS, J. DARLING

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS REGARDING STUDENT-ATHLETE RIGHTS AND PROTECTIONS; ELIMINATING THE PROHIBITION ON A POSTSECONDARY INSTITUTION OR ATHLETIC ASSOCIATION, CONFERENCE, OR ORGANIZATION WITH AUTHORITY OVER INTERCOLLEGIATE SPORTS FROM PROVIDING A PROSPECTIVE OR CURRENT STUDENT-ATHLETE COMPENSATION FOR USE OF THE STUDENT-ATHLETE'S NAME, IMAGE, OR LIKENESS; AMENDING SECTION 20-1-232, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 20-1-232, MCA, is amended to read:

"20-1-232. Student-athlete rights and protections -- definitions. (1) As used in this section, the following definitions apply:

(a) "Postsecondary institution" means a 2-year or 4-year public or private college or university located in the state.

(b) (i) "Student-athlete rights" means the rights of a student-athlete enrolled in a postsecondary institution to earn compensation for the use of the student-athlete's name, image, or likeness and to contract with and retain professional representation of an athlete agent.

(ii) The term does not include a right to receive compensation from a postsecondary institution.

(2) Except as provided in subsections (3) through ~~(6)~~ (5), a postsecondary institution or an athletic association, conference, or organization with authority over intercollegiate sports may not:

(a) prohibit, prevent, or restrict a student-athlete from exercising the student-athlete's rights;

(b) penalize or retaliate against a student-athlete for exercising the student-athlete's rights;

(c) prohibit a student-athlete from participating in an intercollegiate sport for exercising the student-

1 athlete's rights; or

2 (d) subject to subsection ~~(5)(a)~~ (4)(a), impose an eligibility requirement on a scholarship or grant
3 that requires a student-athlete to refrain from exercising the student-athlete's rights.

4 (3) (a) A student-athlete may not enter into a contract that provides compensation to the student-
5 athlete for the use of the student-athlete's name, image, or likeness if terms of the contract conflict with the
6 student-athlete's team rules or with terms of a contract entered into between the student-athlete's
7 postsecondary institution and a third party, except the team rules or a contract entered into between the
8 postsecondary institution and a third party may not prevent a student-athlete from earning compensation for the
9 use of the student-athlete's name, image, or likeness when not engaged in official team activities.

10 (b) A student-athlete who enters into a contract that provides compensation to the student-athlete
11 for the use of the student-athlete's name, image, or likeness shall disclose the contract to an official of the
12 postsecondary institution if the student-athlete is a team member or, if the student-athlete is not a team
13 member, at the time the student-athlete seeks to become a team member.

14 (c) If a postsecondary institution asserts that the terms of the contract conflict with the team rules
15 or with terms of a contract entered into between the student-athlete's postsecondary institution and a third
16 party, the unit shall disclose the specific rules or terms asserted to be in conflict to the student-athlete or to the
17 student-athlete's professional representative or athlete agent if the student-athlete is represented.

18 ~~(4) — A postsecondary institution or an athletic association, conference, or organization with authority~~
19 ~~over intercollegiate sports may not provide to a prospective or current student-athlete compensation for use of~~
20 ~~the student-athlete's name, image, or likeness.~~

21 ~~(5)(4)~~ A postsecondary school may:

22 (a) include provisions in scholarship agreements allowing the postsecondary school to use the
23 athlete's name, image, and likeness;

24 (b) prohibit the use of an athlete's name, image, and likeness on school property, at school
25 functions, or in any advertising material distributed or placed on school property;

26 (c) serve as an agent for the athlete to manage any contract using an athlete's name, image, and
27 likeness; or

28 (d) do any combination of subsections ~~(5)(a)~~ (4)(a) through ~~(5)(e)~~ (4)(c).

1 ~~(6)~~(5) Nothing in this section prohibits a postsecondary institution from establishing or enforcing a
2 conduct code that is applicable to all students enrolled at the unit."

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4 NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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