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MEMORANDUM

To: House Committee on Judiciary

From: Office of Revisor of Statutes

Date: February 18, 2021

Subject: Bill Brief on HB 2264

HB 2264 permits student athletes at postsecondary educational institutions to receive compensation for the use of their name, image, likeness rights or athletic reputation.

Section 1 provides definitions to be used throughout the act. Section 2 provides that a postsecondary educational institution shall not create or enforce any rule that prevents a student athlete of that institution from earning compensation as a result of the use of the student's name, image, likeness rights or athletic reputation. The earnings by such student shall not affect scholarship eligibility or renewal unless otherwise required by federal law or institutional standards governing need-based awards.

Section 2 also provides that an athletic association shall not prevent, restrict, impose any condition on or otherwise limit a student from fully participating in intercollegiate athletics and earning compensation or prevent, restrict, impose any condition on or otherwise limit a postsecondary educational institution, its employees or volunteers from fully participating in intercollegiate athletics as a result of a student athlete's earning compensation. A postsecondary educational institution or athletic association shall not provide a prospective student athlete or current student athlete with compensation. An athletics grant-in-aid or stipend scholarship shall not be considered compensation and no postsecondary educational institution shall revoke or reduce such aid or scholarship as a result of the student earning compensation unless otherwise required by federal laws or institutional standards governing need-base awards.

Section 3 provides that a postsecondary educational institution shall not interfere with a student athlete obtaining professional representation in relation to contracts or legal matters or prevent a student athlete from fully participating in intercollegiate athletics as a result of obtaining such representation. An athletic association shall not prevent a postsecondary

educational institution from fully participating in intercollegiate athletics as a result of a student athlete obtaining representation. Professional representation on behalf of a student shall only be provided by persons appropriately licensed in Kansas.

Section 4 provides that a student athlete shall be deemed to have granted the student's postsecondary educational institution the right to use the student's name, image, likeness rights or athletic reputation for advertising and marketing related to the postsecondary educational institution's interests royalty-free and without compensation. Any contractual provision between a student and a third-party sponsor or agent in conflict with this provision shall be void. A student shall not enter into a contract providing compensation if a provision of that contract is in conflict with a provision in a contract entered into by the postsecondary educational institution. A postsecondary educational institution asserting a conflict in contractual provisions shall disclose to the student the relevant contractual provisions alleged to be in conflict. A postsecondary educational institution shall not enter into a contract that prevents a student athlete from receiving compensation when the student is not engaged in official team activities. A student who enters into a contract for compensation shall disclose the contract to an official designated by the postsecondary educational institution within five business days of the date of signature of the contract. This act does not authorize prospective student athletes who may attend a postsecondary educational institution to negotiate or receive compensation prior to the earlier of the first day of class of a semester in which the student is registered for full-time courses or the first practice or competition in intercollegiate athletics.

Section 5 provides that this act shall not apply to a contract executed before January 1, 2022. It also does not apply to any accredited not-for-profit postsecondary educational institution with physical presence in the state that is exempted from the Kansas private and out-of-state postsecondary educational institution act if such institution elects to be exempted from this act. A legal settlement arising under this act shall not permit noncompliance with the act.

If passed, the provisions of this bill would become effective on and after January 1, 2022.