

January 2024 Division I Council-Governance Official Notice Legislation for Consideration at the January NCAA Division I Council Meeting

DIVISIONI LEGISLATION

THE NATIONAL COLLEGIATE ATHLETIC ASSOCIATION 700 W. Washington Street Indianapolis, Indiana 46206-6222 317/917-6222 NCAA.org December 2023

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Division I January 2024 Council-Governance Official Notice

This publication contains the January 2024 legislative cycle proposals for consideration by the NCAA Division I Council during its January 10 meeting. All the proposals in this publication were properly sponsored by sport oversight committees or introduced by the council.

In addition to the indices found at the end of this publication, users may use the "Bookmark" feature of the Adobe Reader to quickly scan the proposal numbers and titles and go directly to those proposals within the document. Users may also use the "Find" or "Search" feature to find particular proposals. The proposals are presented in the order of the proposal numbers.

Legislative Process for the January 2024 Legislative Cycle

<u>Key Dates</u>

October 12, 2023: Introduction Deadline.

October 18, 2023: Publication of Proposed Legislation.

Week of November 26, 2023: Sport Oversight Action/Review or NCAA Division I Legislative Committee Review.

January 10, 2024: Division I Council Action/Review.

Legislative Process for Sport Oversight Committees to Consider Legislation in Specified Areas.

Sport oversight committees have authority to adopt legislation related to the sports in specified areas. Legislation adopted in the specified areas is not considered final and effective until the conclusion of the January 10, 2024, council meeting. The areas in which sport oversight committees have authority to adopt legislation are:

- 1. Conduct of athletics personnel (NCAA Bylaw 11);
- 2. Recruiting (Bylaw 13);
- 3. Playing and practice seasons (Bylaw 17);
- 4. Processes and procedures related to the administration of the regular season and championship (Bylaw 31); and
- 5. Sportsmanship and other ethical behaviors.

The following proposals are included in this process: Proposal Nos. 2023-44, 2023-45, 2023-46, 2023-47, 2023-48 and 2023-49.

Legislative Process for the Council to Consider Legislation in Other Areas.

A sport oversight committee or the council may introduce legislative proposals in areas other than those for which the sport oversight committees have authority. Other standing committees may recommend that the council introduce legislative proposals. After an initial comment period a sport oversight committee may modify a proposal it introduced. The NCAA Division I Legislative Committee will review proposals and provide feedback to oversight committees and the council. The Council will consider legislative proposals during its January 10 meeting.

[Note: In the following proposals, those letters and words that appear in *italics* and strikethrough are to be deleted; those letters and words that appear in **bold** and are <u>underlined</u> are to be added; and those words that appear in normal text are unchanged from the current Division I legislation.]

Name, Image and Likeness Activities

No. 2023-58 NAME, IMAGE AND LIKENESS ACTIVITIES -- STUDENT-ATHLETE PROTECTIONS

Intent: To establish student-athlete protections associated with name, image and likeness activities, as specified.

A. Bylaws: Amend 22, as follows:

22 Name, Image and Likeness Activities

22.01 General Principles.

22.01.1 Name, Image and Likeness Compensation. An individual may receive compensation for the use of the individual's name, image and likeness, which may be secured or compensated based, in whole or part, on athletics skill or reputation. Name, image and likeness activities may not be used to compensate student-athletes for athletics participation or achievement.

22.01.2 Offers and Inducements. Name image and likeness activities may not be used as an inducement to enroll or remain enrolled at a specific institution.

22.02 Definitions and Applications.

22.02.1 Name, Image and Likeness Activity. Name, image and likeness activity is an activity that involves the commercial use of an individual's name, image, or likeness to advertise or endorse the sale or use of a product or service. Name, image and likeness compensation must:

- (a) Include quid pro quo (e.g., compensation for work performed);
- (b) Not be contingent upon initial or continued enrollment at a particular institution (see Bylaw 22.01.2); and
- (c) Not be in return for athletic participation or achievement.
- B. Bylaws: Amend 22.1, as follows:

22.1 Third-Party Service Providers.

22.1.1 Representation for Purposes of Name, Image and Likeness Activities. An individual may use third-party services, including agent representation, for the purpose of name, image and likeness activities. Business arrangements related to representation for purposes of name, image and likeness activities (e.g., travel expenses associated with meeting) shall be consistent with arrangements between the third-party service provider and other prospective or current clients and align with industry standards.

22.1.2 Professional Service Provider Registry. The NCAA national office shall make available a centralized registry of professional service providers who provide or are seeking to provide services to student-athletes in a manner approved by the Board of Directors, or an entity designated by the Board.

C. Bylaws: Amend 22.2, as follows:

22.2 Disclosure of Name, Image and Likeness Activities.

22.2.1 Name, Image and Likeness Disclosure. Student-athletes must disclose name, image and likeness agreements to the institution no later than 30 days after entering or signing an agreement. Failure to disclose a name, image and likeness activity shall result in the student-athlete's ineligibility for participation (athletically related activities) in all intercollegiate athletics until the disclosure requirement is satisfied. (For disclosure requirements for prospective student-athletes, see Bylaw 22.3.1.)

22.2.1.1 Required Elements Of Name, Image and Likeness Disclosure. Disclosure of an individual's name, image and likeness activities shall include the following:

- (a) Names and contact information of individuals involved in the activity, including a description of the nature of any relationship between those individuals;
- (b) <u>Terms of the arrangement, including a description of services rendered, rights granted, term length, compensation and payment structure (e.g., cash, barter, deferred);</u>
- (c) Names and contact information of any professional service provider involved in the arranging, negotiating, or securing the disclosed activity, including a description of the nature of any relationship between the service provider and any individual involved in the activity; and

(d) <u>Terms of compensation between the professional service provider and the student-athlete (e.g., agent contingency fee).</u>

22.2.1.2 <u>Name, Image and Likeness Attestation. An individual's disclosure of name, image and likeness</u> activities must include attestation that:

- (a) All disclosed information is complete and accurate;
- (b) The disclosed activity is consistent with institutional and conference policy, NCAA rules, and any applicable state or federal law;
- (c) Pay or promise of pay related to the disclosed activity is not a substitute for payment for athletics participation or achievement or an inducement to enroll or remain enrolled at a specific institution; and
- (d) Acknowledgement that failure to disclose or fraudulent disclosure may constitute impermissible unethical conduct (see Bylaw 10.1).

22.2.1.3 Limited Disclosure. Unless otherwise noted, an individual shall not be required by the NCAA to disclose name, image and likeness activities valued less than \$600. An individual must disclose name, image and likeness activities involving the same (or substantially the same) parties if the aggregate value of the activities is at or above this threshold.

<u>22.2.1.4</u> Effect of Violation. A violation of Bylaw 22.2.1 or its subsections shall be considered an institutional violation per Bylaw 8.01.3; however, a violation shall not affect the student-athlete's eligibility, provided the disclosure requirement is satisfied.

22.2.2.1 <u>Reporting of Disclosed information.</u> Aggregated information related to name, image, and likeness activities disclosed to a member institution shall be reported to the NCAA national office on a biannual basis. An institution shall make disclosed information available for examination on request by an NCAA staff member or an authorized representative of the NCAA.

22.2.2.1.1 Publication of Aggregate Name, Image and Likeness Data. The NCAA national office shall make available an aggregated database of disclosed name, image and likeness information.

D. Bylaws: Amend 22.4, as follows:

22.4 Education.

22.4.1 Name, Image and Likeness Education. The NCAA national office shall make available comprehensive education regarding name, image and likeness activities in a manner approved by the Board of Directors, or an entity designated by the Board. Such education shall include the provision of standardized contract terms for use in name, image and likeness agreements.

Source: NCAA Division I Council

Effective Date: August 1, 2024

Category: Amendment

Topical Area: Name, Image and Likeness Activities

Rationale: This proposal is designed to assist student-athletes in making informed decisions as they navigate the environment surrounding name, image and likeness without exerting control over a student-athlete's decision or curtailing their name, image and likeness opportunities. While congressional action and/or state laws could help regulate the name, image and likeness environment, this proposal should be considered the first step in creating protections for student-athletes in the name, image and likeness environment, which must be regularly monitored to ensure the needs of student-athletes are met. Requiring student-athletes to disclose name, image and likeness activities (valued at or above a set minimum threshold, which mirrors the Internal Revenue Service reporting threshold) to their institutions will support institutions in meeting the educational needs of their student-athletes on name, image and likeness. The disclosure requirement will also promote clarity to student-athletes through increased transparency and promote behavior consistent with institutional values and NCAA legislation through Institutional monitoring and evaluation of name, image and likeness activities. In turn, requiring institutions to report disclosed name, image and likeness information will allow the Association to identify challenges and opportunities through the evaluation of aggregated and anonymized normative data to modify policy and processes as circumstances change. Further, establishing a national, centralized registration process for thirdparty service providers involved in student-athlete name, image and likeness activities will assist student-athletes with making informed decisions on third-party services, such as agent representation and financial advising. Last, requiring the NCAA national office to provide comprehensive educational on name, image and likeness will complement institutional educational efforts, which is required by existing Division I legislation. Including recommended standard contract terms as part of this educational plan will help student-athletes and their families understand name, image and likeness transactions and assist them in making informed decisions about the contracts they sign. Additional educational resources, to supplement institutional efforts, will provide student-athletes, their families, and individuals working with student-athletes with accurate information, clear guidelines on NCAA rules and policies, and resources to understand important related topics, such as how to read a contract and personal branding.

Division I Commitment addressed by proposal: The Commitment to Student-Athlete Well-Being.

- Is the proposal consequential or nationally significant?: Yes. Establishing student-athlete protections related to name, image and likeness is nationally significant.
- Is the proposal enforceable and how do the merits outweigh monitoring burdens?: Yes. This proposal establishes student-athlete protections in a manner that outweighs national and local monitoring burdens.
- How does the proposal support student-athlete success/well-being?: Establishing student-athlete protections supports student-athlete success and well-being related to engaging in NIL activities.
- **Estimated Budget Impact:** Costs associated with national and local-level educational efforts, establishing local and national disclosure mechanisms, and establishing a national platform for the voluntary registration of third-party service providers.
- **Impact on Student-Athlete's Time (Academic and/or Athletics):** Dependent on student-athlete decision-making related to participating in name, image and likeness activities.

Position Statement(s): None

History:

Oct 18, 2023: In Progress Dec 5, 2023: Ready for Vote

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