By: Tepper

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## A BILL TO BE ENTITLED

## AN ACT

2 relating to the compensation and professional representation of 3 prospective student athletes and student athletes participating in 4 intercollegiate athletic programs at certain institutions of 5 higher education.

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

7 SECTION 1. Sections 51.9246(c) and (g), Education Code, are 8 amended to read as follows:

(c) An institution to which this section applies may not[ $\div$ 

10 [<del>(1)</del>] adopt or enforce a policy, requirement, 11 standard, or limitation that prohibits or otherwise prevents a 12 student athlete participating in an intercollegiate athletic 13 program at the institution from:

14 <u>(1)</u> [<del>(A)</del>] earning compensation for the use of the 15 student athlete's name, image, or likeness when the student athlete 16 is not engaged in official team activities, as that term is defined 17 by the institution; or

18 (2) [(B)] obtaining professional representation, 19 including representation by an attorney licensed to practice law in 20 this state, for contracts or other legal matters relating to the use 21 of the student athlete's name, image, or likeness[; or

22 [(2) provide or solicit a prospective student athlete
23 of an intercollegiate athletic program at the institution with
24 compensation in relation to the prospective student athlete's name,

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1 image, or likeness].

2 (g) A student athlete participating in an intercollegiate3 athletic program at an institution to which this section applies:

4 (1) shall, before entering into the contract, disclose
5 to the institution, in the manner prescribed by the institution,
6 any proposed contract the student athlete may sign for use of the
7 student athlete's name, image, or likeness;

8 (2) may not enter into a contract for the use of the 9 student athlete's name, image, or likeness if:

10 (A) any provision of the contract conflicts with 11 a provision of the student athlete's team contract, a provision of 12 an institutional contract of the institution, a policy of the 13 athletic department of the institution, or a provision of the honor 14 code of the institution;

(B) the compensation for the use of the studentathlete's name, image, or likeness is provided:

17 (i) in exchange for athletic performance
18 [or accepting an offer of admission to attend the institution;

19 [(ii) by the institution;

20 [(iii) in exchange for an act that occurs 21 while the athlete is engaged in an official team activity]; or

(ii) [(iv)] in exchange for an endorsement of alcohol, tobacco products, e-cigarettes or any other type of nicotine delivery device, anabolic steroids, sports betting, casino gambling, a firearm the student athlete cannot legally purchase, or a sexually oriented business as defined in Section 243.002, Local Government Code; or

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(C) the duration of the contract extends beyond
 the student athlete's participation in the intercollegiate
 athletic program;

4 (3) is not considered an employee of the institution
5 based on the student athlete's participation in the intercollegiate
6 athletic program;

7 (4) may earn compensation from selling the student 8 athlete's autograph in a manner that does not otherwise conflict 9 with a provision of this section; and

10 (5) may not use an institution's facility, uniform, 11 registered trademark, copyright-protected product, or official 12 logo, mark, or other indicia in connection with a contract for the 13 use of the student athlete's name, image, or likeness unless the 14 student athlete obtains the institution's express permission.

15 SECTION 2. Sections 51.9246(g-1) and (j), Education Code, 16 are repealed.

SECTION 3. The changes in law made by this Act apply only to a contract for the use of a student athlete's name, image, or likeness entered into on or after the effective date of this Act. A contract for the use of a student athlete's name, image, or likeness entered into before the effective date of this Act is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this

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1 Act takes effect September 1, 2025.