

Legislative Analysis



ALLOW HIGHER EDUCATION INSTITUTION EMPLOYEES TO SUPPORT NIL OPPORTUNITIES FOR STUDENTS

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<http://www.house.mi.gov/hfa>

House Bill 4319 as introduced
Sponsor: Rep. Angela Witwer
1st Committee: Education
2nd Committee: Higher Education
Complete to 6-20-23

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4319 would amend 2020 PA 366 to explicitly allow employees of Michigan postsecondary educational institutions to support student athletes' name, image, or likeness (NIL) opportunities by partnering with third parties that license publicity rights or the use of NIL rights of student athletes, as long as all of the following are met:

- The third party is not a national association for the promotion or regulation of collegiate athletics, an athletics conference, or another postsecondary educational institution.
- The third party has been in operation for at least five years and is registered for charitable solicitation under Michigan law.
- The postsecondary educational institution does not coerce, compel, or interfere with a student athlete's decision to earn compensation from or obtain representation in connection with any specific NIL opportunity.

A postsecondary institution's involvement in supporting NIL opportunities by partnering with third parties as described above would not constitute the institution's compensation to, or representation of, a student athlete for purposes of the act.

The bill would also allow postsecondary institutions to fund an independent, third-party administrator to support education, monitoring, disclosures, and reporting concerning NIL activities by student athletes authorized under the act, as long as the third-party administrator is not a registered athlete agent.

Finally, the bill would encourage postsecondary institutions to provide financial literacy, brand management, and life skills programming designed for student athletes.

MCL 390.1740

FISCAL IMPACT:

The bill would not have any fiscal impact on state or local government but could have a minor fiscal impact on Michigan postsecondary institutions. A postsecondary institution could fund an independent, third-party administrator to support activities around name, image and likeness, which could have some cost for institutions that choose to do so. Additionally, postsecondary institutions could face increase costs if they choose to increase

educational opportunities around financial literacy, brand management, and life skills for student athletes. The potential costs associated with institutions doing either option or both are variable and cannot be determined.

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