

SB 1501 A STAFF MEASURE SUMMARY

House Committee On Rules

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Meeting Dates: 2/27, 2/27

WHAT THE MEASURE DOES:

Establishes rights of student athletes to earn compensation for coaching and for use of their name, image, or likeness. Establishes right of student athletes to retain professional representation and earn compensation for coaching at market rates. Prohibits student athletes from entering into contracts that conflict with the student athlete's team rules or contracts entered into by the student's post-secondary institution of education and a third party. Prohibits universities, athletic associations, conferences, or organizations from infringing on those rights or penalizing a student athlete who exercises those rights. Takes effect January 1, 2023.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In September 2019, Governor Gavin Newsom of California signed Senate Bill 206, which allows student athletes at California's universities to receive compensation for use of their names, images, or likenesses. Prior to passage of this bill, the National Collegiate Athletic Association (NCAA)'s rules prohibited student athletes from receiving any compensation other than scholarships. In October 2019, the NCAA Board of Governors (Board) directed NCAA's divisions to consider updates to policies relating to students' names, images, and likenesses. The Board directed its divisions to begin gathering feedback in April 2020 and to have new rules for consideration by January 2021. Currently, over 20 states are considering legislation allowing student athletes to earn compensation, each with varying provisions.

Senate Bill 1501-A establishes the right of student athletes to earn compensation under certain circumstances.