To protect student athletes, ensure fair competition and compensation, and preserve intercollegiate athletics, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. Manchin (for himself and Mr. Tuberville) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To protect student athletes, ensure fair competition and compensation, and preserve intercollegiate athletics, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Protecting Athletes, Schools, and Sports Act of 2023”.

SEC. 2. DEFINITIONS.

In this Act:

(1) AGENT.—The term “agent” means an athlete agent (as defined in section 2 of the Sports
Agent Responsibility and Trust Act (15 U.S.C. 7801)).

(2) ATHLETIC DEPARTMENT.—The term “athletic department” means a department at an institution of higher education that sponsors or conducts 1 or more varsity intercollegiate athletics programs in which student athletes enrolled at the institution of higher education compete in athletic contests against student athletes enrolled at another institution of higher education.

(3) BOOSTER.—The term “booster” means any individual or entity that has—

(A) provided a donation—

(i) to an institution of higher education to obtain season tickets for any sport; or

(ii) to support the athletics program at an institution of higher education;

(B) participated in or has been a member of an organization promoting in any way the varsity intercollegiate athletics programs of an institution of higher education; or

(C) made a financial contribution to the athletic department, athletics foundation, collec-
tive, or booster organization affiliated with an institution of higher education.

(4) COMPENSATION.—The term “compensation”—

(A) means any monetary or in-kind payment to a student athlete; and

(B) does not include—

(i) grant-in-aid;

(ii) funds from any student assistance fund or academic enhancement fund affiliated with an institution of higher education that are available and distributed without regard to athletic ability for the purposes of assisting student athletes in meeting their financial needs, improving the welfare of student athletes, providing academic support for student athletes, or recognizing the academic achievement of student athletes, including by providing—

(I) postgraduate scholarships;

(II) school supplies;

(III) benefits, such as travel expenses for student athletes, clothing, and magazine subscriptions; or
(IV) payments incidental to athletics participation, such as the National Collegiate Athletic Association cost-of-attendance stipend;

(iii) awards for participation or achievement in intercollegiate athletics, such as qualifying for a bowl game, or payments for performance in the Olympics;

(iv) awards for future educational opportunities;

(v) premiums paid on behalf of a student athlete for loss-of-value insurance or disability insurance; or

(vi) travel funds for members of a student athlete’s immediate family to attend sporting events of the student athlete.

(5) CONFERENCE.—The term “conference” means an organization that—

(A) has as members 2 or more institutions of higher education;

(B) arranges or conducts season-long intercollegiate athletic events to determine, among its members, a champion in a particular intercollegiate sport; and
(C) sets rules for varsity intercollegiate
sports competition among its members.

(6) GRANT-IN-AID.—The term “grant-in-aid”
means—

(A) tuition, room, board, books, fees, and
personal expenses paid or provided by an insti-
tution of higher education up to the full cost of
attendance;

(B) Federal Pell Grants and other State
and Federal grants unrelated to, and not
awarded with respect to, participation in varsity
intercollegiate sports competition;

(C) health insurance and the costs of
health care wholly or partly self-funded by the
National Collegiate Athletic Association, a con-
ference, or an institution of higher education;

(D) disability and loss of value insurance
that is wholly or partly self-funded by the Na-
tional Collegiate Athletic Association, a con-
ference, or an institution of higher education;

and

(E) career counseling or job placement
services available to all students at an institu-
tion of higher education.
(7) **IMMEDIATE FAMILY.**—With respect to a student athlete, the term “immediate family” means the 1 or more parents, guardians, siblings, aunts, uncles, and grandparents of the student athlete.

(8) **INSTITUTION OF HIGHER EDUCATION.**—The term “institution of higher education” means an institution of higher education as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

(9) **NAME, IMAGE, OR LIKENESS.**—The term “name, image, or likeness” means a symbol, word, given name, surname, nickname, design, or image (such as a photograph or video) that readily identifies a student athlete.

(10) **NAME, IMAGE, OR LIKENESS CONTRACT.**—The term “name, image, or likeness contract” means an agreement under which a student athlete receives compensation from a third party for the use of the publicity received by, or the reputation, following, or fame of, the student athlete.

(11) **NATIONAL COLLEGIATE ATHLETIC ASSOCIATION.**—The term “National Collegiate Athletic Association” means the National Collegiate Athletic Association that functions as an authority for inter-
collegiate athletics in the United States (or a successor organization).

(12) **Prospective Student Athlete.**—The term “prospective student athlete” means an individual who—

(A) is attending, and has not yet graduated from, an elementary school or a secondary school (as such terms are defined in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)); and

(B) participates in a sports program.

(13) **Student Athlete.**—The term “student athlete” means an individual who engages or is eligible to engage in intercollegiate athletics.

(14) **Third Party.**—The term “third party” means—

(A) a person, other than an institution of higher education or a student athlete, that—

(i) offers, solicits, or enters into a name, image, or likeness contract; or

(ii) offers or provides name, image, or likeness compensation;

(B) an entity that is affiliated with an institution of higher education, yet operates independently of the institution of higher education,
that generates funding to support opportunities for student athletes to enter into name, image, or likeness contracts; or

(C) an entity that is, refers to itself as, or is colloquially referred to as, a collective.

(15) **TRANSFER PORTAL.**—The term “transfer portal” means a process managed by the National Collegiate Athletic Association that facilitates the transfer of student athletes from one institution of higher education to another institution of higher education for the purpose of engaging, or being able to engage in the future, in intercollegiate athletics.

(16) **VARSITY INTERCOLLEGIATE ATHLETICS PROGRAM.**—The term “varsity intercollegiate athletics program” means a sport played at the intercollegiate level, administered by an athletic department, for which eligibility requirements for participation by student athletes are established by the National Collegiate Athletic Association or a conference.

(17) **VARSITY INTERCOLLEGIATE SPORTS COMPETITION.**—The term “varsity intercollegiate sports competition” means a competition—

(A) between or among student athletes; and
(B) involving 2 or more varsity intercollegiate athletics programs sponsored by different institutions of higher education.

SEC. 3. THIRD PARTIES.

(a) In General.—A third party may only promote an intercollegiate athletics program, assist with recruiting, or assist with providing benefits to student athletes or the family members of student athletes if the third party is formally associated with an institution of higher education through a written contract pursuant to the normal policies of the institution of higher education.

(b) Inducements.—

(1) In General.—An individual, booster, or third party may not offer or provide a prospective student athlete or a student athlete with any compensation or benefit that is intended to induce the prospective student athlete or student athlete to enroll in or transfer to a particular institution of higher education.

(2) Rule of Construction.—Nothing in this subsection may be construed to prohibit an individual, booster, or third party from offering or providing a bona fide grant that may be used by a prospective student athlete or student athlete solely for the payment of tuition, room and board, or other
fees charged by an institution of higher education for enrollment in an academic program offered by the institution of higher education.

(c) **Equal Representation.**—A third party associated with an institution of higher education shall offer equal representation of, and provide equal services to, all student athletes in all intercollegiate athletics programs at the institution of higher education.

**SEC. 4. TRANSFER PORTAL.**

(a) **Role of National Collegiate Athletic Association.**—The National Collegiate Athletic Association shall set forth rules relating to the transfer portal, including with respect to the 1 or more periods during which a student athlete may formally notify the institution of higher education in which the student athlete is enrolled of his or her intent to transfer to another institution of higher education.

(b) **Effect of Transfer.**—

(1) **In General.**—A student athlete enrolled at an institution of higher education who transfers to another institution of higher education shall be ineligible to participate in any athletic competition sponsored by the National Collegiate Athletic Association during the academic year, beginning at the start of the fall semester and ending at the end of an insti-
tution of higher education’s final summer session, in which the student athlete entered the transfer portal.

(2) Waiver for qualifying events or circumstances.—

(A) In general.—The National Collegiate Athletic Association may waive the application of paragraph (1) in the case of a student athlete—

(i) who has completed 3 years of athletics eligibility;

(ii) whose family member has died or has been diagnosed with a terminal illness;

(iii) whose primary position coach or head coach has voluntarily or involuntarily left the institution of higher education in which the student athlete was enrolled before the date on which the student athlete entered the transfer portal; or

(iv) who meets any other criteria, as determined by the National Collegiate Athletic Association.

(B) Criteria.—

(i) In general.—The National Collegiate Athletic Association may grant a
waiver under subparagraph (A) only if, not later than 30 days after the date on which a qualifying event or circumstance described in that subparagraph occurs, the student athlete concerned provides to the athletic department of his or her institution of higher education written documentation of the event or circumstance.

(ii) VERIFICATION.—The National Collegiate Athletic Association shall establish procedures for verifying the validity of the documentation provided under clause (i).

(e) CERTAIN OTHER RULES AND REGULATIONS.—This section shall supersede any National Collegiate Athletic Association rule or regulation related to transfer eligibility that is in effect on the date of the enactment of this Act.

SEC. 5. VALID NAME, IMAGE, OR LIKENESS CONTRACT.

(a) IN GENERAL.—A student athlete may only enter into a name, image, or likeness contract that—

(1) is in writing and signed by each party;

(2) includes the names of each party;

(3) outlines the scope of work to be performed by the student athlete;
(4) states the timeline for the performance of such work;

(5) states the compensation to be provided to the student athlete;

(6) describes the duration of the contract;

(7) conforms with the format of a standard contract template developed by the Federal Trade Commission;

(8) takes effect after the date on which the student athlete enrolls in an institution of higher education and begins participation in intercollegiate athletics; and

(9) is consistent with this Act.

(b) DURATION.—A student athlete may only enter into a name, image, or likeness contract if—

(1) the student athlete is enrolled at an institution of higher education during an academic term for which classes have begun; and

(2) the duration of the contract does not extend beyond the period during which the student athlete is enrolled at an institution of higher education.

(c) STUDENT ATHLETE PARTICIPATION IN INTERCOLLEGIATE ATHLETICS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the National Collegiate Athletic Associa-
tion or an institution of higher education may not prohibit a student athlete from participating in intercollegiate athletics based on the student athlete having entered into a name, image, or likeness contract.

(2) LIMITATIONS ON NAME, IMAGE, OR LIKENESS CONTRACTS.—

(A) CONTRACTS WITH CERTAIN PERSONS AND ENTITIES.—Notwithstanding paragraph (1), the National Collegiate Athletic Association or an institution of higher education may prohibit a student athlete who is enrolled at the institution from participating in intercollegiate athletics if the student athlete has entered into a name, image, or likeness contract with any person or entity related to or associated with the development, promotion, production, distribution, wholesaling, or retailing of—

(i) adult entertainment, sexually suggestive products, or sex-oriented products, services, conduct, imagery, or inferences;

(ii) alcohol products;

(iii) a casino or gambling, including sports betting and betting in connection
with a video game or online game, or on a mobile device;
   (iv) tobacco, marijuana, or electronic smoking products and devices;
   (v) pharmaceuticals;
   (vi) any dangerous or controlled substance;
   (vii) drug paraphernalia;
   (viii) weapons, including firearms and ammunition; or
   (ix) any product, substance, or method that is prohibited in competition by the National Collegiate Athletic Association, a conference, or any other organization governing varsity intercollegiate sports competition.

(B) APPAREL.—The National Collegiate Athletic Association or an institution of higher education may prohibit a student athlete from—

   (i) wearing any item of clothing, shoes, or other gear with the insignia of any entity while wearing any athletic gear or uniform provided by an institution of higher education or otherwise competing in
a varsity intercollegiate sports competition
or athletic event sponsored by the institution of higher education at which the student athlete is enrolled; and

(ii) using, without the express permission of the institution of higher education at which the student athlete is enrolled, the insignia, logo, or other intellectual property of the institution of higher education for any purpose.

(3) INSTITUTIONS OF HIGHER EDUCATION.—An institution of higher education may not enter into an advertising or promotional contract with a person or entity described in paragraph (2)(A) if the institution of higher education has prohibited an enrolled student athlete from participating in intercollegiate athletics for having entered into a name, image, or likeness contract with such person or entity.

(d) PROHIBITION.—An institution of higher education shall not—

(1) prohibit a student athlete from entering into a name, image, or likeness contract that complies with this Act, including through a rule, standard, or policy that affects the eligibility of the student to receive athletically related student aid (as
defined in section 485(e)(8) of the Higher Education Act of 1965 (20 U.S.C. 1092(e)); or

(2) provide or arrange compensation for the student athlete for the use of the name, image, or likeness of the student or for participation in intercollegiate athletics.

SEC. 6. TRANSPARENCY.

(a) STUDENT ATHLETES.—Not later than 30 days after entering into a name, image, or likeness contract, a student athlete shall disclose to the institution of higher education at which the student athlete is enrolled—

(1) the existence of the contract;

(2) the names of the parties to the contract;

(3) the scope of work to be performed by the student athlete under the contract and the corresponding timeline for such work;

(4) the compensation to be provided to the student athlete; and

(5) the duration of the contract.

(b) AGENTS.—An agent representing a student athlete with respect to a name, image, or likeness contract shall—

(1) register with the Federal Trade Commission; and

(2) disclose to the Federal Trade Commission—
(A) the fee and compensation structure of
the agent;

(B) the scope of work to be performed by
the agent; and

(C) the duration of the contract.

(c) Third Parties.—Each third party shall—

(1) register with the Federal Trade Commis-
sion; and

(2) disclose to the Federal Trade Commission
and to each institution of higher education that is a
party to a written contract with the third party—

(A) the existence of the contract;

(B) the names of the parties to the con-
tract;

(C) the scope of work to be performed by
the student athlete under the contract and the
corresponding timeline for such work;

(D) the compensation to be provided to the
student athlete; and

(E) the duration of the contract.

(d) Individuals and Boosters.—Any individual or
booster seeking to enter into a name, image, or likeness
contract shall—

(1) register with the Federal Trade Commis-
sion; and
(2) not later than 7 days before the date on which a name, image, or likeness contract is executed, disclose to the Federal Trade Commission—

(A) the existence of the contract;

(B) the names of the parties to the contract;

(C) the scope of work to be performed by the student athlete under the contract and the corresponding timeline for such work;

(D) the compensation to be provided to the student athlete; and

(E) the duration of the contract.

(e) Publication of Name, Image, or Likeness Data.—Not later than 180 days after the date of the enactment of this Act, the Federal Trade Commission shall establish a publicly accessible internet website on which the Federal Trade Commission shall publish and frequently update anonymized and aggregated name, image, or likeness data.

(f) Rule of Construction.—The disclosure of a name, image, or likeness contract to an institution of higher education or the National Collegiate Athletic Association may not be construed as an approval of the name, image, or likeness contract by the institution of higher education or the National Collegiate Athletic Association
with respect to the legal requirements or the fairness of
the economic terms of the name, image, or likeness con-
tract.

SEC. 7. ADDITIONAL PROTECTIONS FOR STUDENT ATH-
LETES.

(a) Educational Resources.—

(1) National Collegiate Athletic Association.—The National Collegiate Athletic Association
or its designee shall develop and make available to
student athletes educational resources and informa-
tion on the rights of student athletes with respect to
name, image, or likeness contracts and related legal
and regulatory matters.

(2) Institutions of Higher Education.—Each institution of higher education shall develop
and make available to student athletes educational
resources and information consistent with the edu-
cational resources and information developed under
paragraph (1).

(b) Financial Literacy.—The National Collegiate
Athletic Association or its designee shall develop, main-
tain, and conduct financial literacy and life skills program-
ning for student athletes, which shall include—

(1) information relating to financial aid and
debt management;
(2) recommended model budgets for student athletes based on the estimated cost of attendance for the academic year and any grant-in-aid received by the student athlete; and

(3) information relating to the potential tax implications of entering into a name, image, or likeness contract.

(c) **Travel and Medical Expenses.**—

(1) **Trust Fund.**—

(A) In General.—The organizers of any revenue-generating collegiate-level tournament or playoff shall deposit not less than 1 percent of annual gross revenues from such events into a trust fund (referred to in this subsection as the “Fund”), to be managed in a manner determined by the National Collegiate Athletic Association, for the purpose of covering the costs of—

(i) in the case of a student athlete who is a dependent, travel to sporting events for members of the immediate family of the student athlete; and

(ii) in the case of a former student athlete, all out-of-pocket medical expenses
of such athlete that are not covered under paragraph (2)(B), until the later of—

(I) the date on which such athlete attains the age of 28 years; or

(II) 8 years after the date on which the eligibility of such athlete for intercollegiate athletics expired.

(B) Eligibility of former student athletes.—To be eligible to receive amounts from the Fund under subparagraph (A)(ii), a former student athlete shall—

(i) not later than 7 days after the date on which the last regular season of the sport of such athlete ends, complete an exit physical examination with the institution of higher education; and

(ii) graduate from the institution of higher education at which such was enrolled during such last regular season.

(2) Medical expenses.—

(A) Responsibility of institution of higher education to provide health care coverage for student athletes.—An institution of higher education shall provide or procure health care coverage for each student
athlete enrolled at the institution of higher edu-
cation during any academic year in which the
student athlete participates in intercollegiate
athletics.

(B) PAYMENT OF OUT-OF-POCKET MED-
ICAL EXPENSES FOR STUDENT ATHLETES AND
FORMER STUDENT ATHLETES.—

(i) INSTITUTIONS REPORTING LESS
THAN $20,000,000.—An institution of higher
education that reports less than
$20,000,000 in total annual athletics rev-
e nue to the Department of Education dur-
ing an academic year shall be, during the
enrollment of a student athlete at the insti-
tution of higher education, financially re-
sponsible for all out-of-pocket medical ex-
penses of the student athlete’s health care
coverage for any injury or communicable
disease incurred or acquired while the stu-
dent athlete was participating in an inter-
collegiate athletic event or a varsity inter-
collegiate athletic competition.

(ii) INSTITUTIONS REPORTING
$20,000,000 OR MORE.—An institution of
higher education that reports not less than
$20,000,000 in total annual athletics revenue to the Department of Education during an academic year shall be, during the enrollment of a student athlete at the institution of higher education and the 2-year period beginning on the day after the last varsity intercollegiate sports competition of the student athlete, financially responsible for all out-of-pocket medical expenses of the student athlete’s health care coverage for any injury or communicable disease that was incurred or acquired while the student athlete was participating in an intercollegiate athletic event or a varsity intercollegiate athletic competition.

(iii) Institutions reporting $50,000,000 or more.—An institution of higher education that reports not less than $50,000,000 in total annual athletics revenue to the Department of Education during an academic year shall be, during the enrollment of a student athlete at the institution of higher education and the 4-year period beginning on the day after the last varsity intercollegiate sports competition of
the student athlete, financially responsible for all out-of-pocket medical expenses of the student athlete’s health care coverage for any injury or communicable disease incurred or acquired while the student athlete was participating in an intercollegiate athletic event or varsity intercollegiate sports competition.

(C) SECOND OPINIONS.—

(i) STUDENT ATHLETES.—During the enrollment of a student athlete at an institution of higher education, an institution of higher education shall be financially responsible for the expense of obtaining for the student athlete medical second opinions independent from the institution of higher education.

(ii) FORMER STUDENT ATHLETES.—

(I) IN GENERAL.—In the case of an institution of higher education described in clause (ii) or (iii) of subparagraph (B), continuing through the 2-year period described in clause (ii) or the 4-year period described in clause (iii), respectively, the institu-
tion of higher education shall be financially responsible for the expense of obtaining, for former student athletes, medical second opinions independent from the institution of higher education.

(II) Institutions reporting less than $20,000,000.—In the case of an institution of higher education described in clause (i), during any period not exceeding 4 years beginning on the day after the last varsity intercollegiate sports competition of a student athlete that is not covered under subclause (I), the Fund shall be financially responsible for the expense of obtaining, for former student athletes, medical second opinions independent from the institution of higher education.

(D) Exception.—The responsibilities of an institution of higher education under subparagraphs (A) through (C) shall not apply to an institution of higher education in the case of a student athlete who transfers out of the insti-
tution of higher education to continue participation in intercollegiate athletics elsewhere.

(d) GRANT-IN-AID PROTECTION.—

(1) IN GENERAL.—Except as otherwise provided in this Act, an institution of higher education may not revoke, reduce, or impose a condition on the grant-in-aid of a student athlete based on the student athlete having entered into a permissible name, image, or likeness contract or having been injured.

(2) ORIGINAL GRANT-IN-AID COMMITMENT.—

(A) IN GENERAL.—Subject to subparagraph (B), an institution of higher education shall honor the original grant-in-aid commitment made by the institution of higher education to a student athlete.

(B) EFFECT OF TRANSFER.—In the case of a student athlete who transfers from one institution of higher education to another institution of higher education, subparagraph (A)—

(i) shall not apply to the former institution of higher education of the student athlete; and

(ii) shall apply to the new institution of higher education to which the student athlete transfers.
(C) Former Student Athletes.—

Grant-in-aid provided to a former student athlete—

(i) may not count against athlete scholarship caps; and

(ii) may be provided through the general financial aid budget of an institution of higher education.

(3) Rule of Construction.—Nothing in this subsection may be construed to prohibit an institution of higher education from revoking the grant-in-aid of a student athlete or former student athlete who does not remain in good standing in accordance with the standards or code of conduct of the institution of higher education.

Sec. 8. Enforcement.

(a) Unfair or Deceptive Acts or Practices.—A violation under section 3 or 6 of this Act shall be treated as an unfair or deceptive act or practice under section 5(a)(1) of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)).

(b) Powers of the Federal Trade Commission.—

(1) In General.—The Federal Trade Commission shall enforce section 3 and 6 in the same man-
ner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made part of this Act.

(2) Privileges and Immunities.—Any person who violates this Act shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act (15 U.S.C. et seq.).

(3) Rules of Construction.—

(A) No Power to Prescribe Rules.—Nothing in this Act or any other provision of Federal law may be construed to authorize or permit the Federal Trade Commission to prescribe or promulgate any rule or regulation with respect to any act, practice, or conduct under by this Act.

(B) Authority Preserved.—Nothing in this section shall be construed to limit the authority of the Federal Trade Commission under any other provision of law.

(e) Prohibiting Unfair and Deceptive Practices by Third Parties.—The Sports Agent Responsi-
(1) in section 2 (15 U.S.C. 7801)—

(A) by redesignating paragraphs (4), (5), (6), (7), (8), and (9) as paragraphs (5), (6), (8), (9), (10) and (11), respectively;

(B) by inserting after paragraph (3) the following new paragraph:

“(4) BOOSTER.—The term ‘booster’ means any individual or entity that has—

“(A) provided a donation—

“(i) to an institution of higher education to obtain season tickets for any sport; or

“(ii) to support the athletics program at an institution of higher education;

“(B) participated in or has been a member of an organization promoting in any way the varsity intercollegiate athletics programs of an institution of higher education; or

“(C) made a financial contribution to the athletic department, athletics foundation, collective, or booster organization affiliated with an institution of higher education.”.
(C) by inserting after paragraph (6), as re-designated, the following:

“(7) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ means an institution of higher education as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).”; and

(D) by adding at the end the following:

“(12) THIRD PARTY.—The term ‘third party’ means—

“(A) a person, other than an institution of higher education or a student athlete, that—

“(i) offers, solicits, or enters into a name, image, or likeness contract; or

“(ii) offers or provides name, image, or likeness compensation;

“(B) an entity that is affiliated with an institution of higher education, yet operates independently of the institution of higher education, that generates funding to support opportunities for student athletes to enter into name, image, or likeness contracts; or

“(C) an entity that is, refers to itself as, or is colloquially referred to as, a collective.”;
(2) by inserting after section 3 (15 U.S.C. 7802) the following:

"SEC. 3A. REGULATION OF BOOSTERS AND THIRD PARTIES.

"It is unlawful for a booster or a third party to directly or indirectly provide or offer to provide any funds or thing of value as an inducement to a student athlete to enroll in, transfer from, or remain at a specific institution of higher education or group of institutions of higher education.”; and

(3) in section 5(a)(1) (15 U.S.C. 7804(a)(1)), by inserting “or by the engagement of any booster or third party in a practice that violates section 3A of this Act” after “section 3 of this Act”.

(d) Eligibility to Compete as a Student Athlete After Entering Into a Name, Image, or Likeness Contract.—Section 3(b)(3) of the Sports Agent Responsibility and Trust Act (15 U.S.C. 7802(b)(3)) is amended by striking “Warning to Student Athlete:” and inserting “Notice to Student Athlete: If you agree orally or in writing to be represented by an agent now or in the future, or enter into a name, image, or likeness contract, you, the agent by whom you are agreeing to be represented, and any other booster or third party must notify the institution of higher education in which you are en-
rolled that you have entered into an agency or name, image, or likeness contract. Warning to Student Athlete:

SEC. 9. NATIONAL COLLEGIATE ATHLETIC ASSOCIATION.

(a) DUTIES.—The National Collegiate Athletic Association or its designee shall—

(1) establish—

(A) rules to govern and provide oversight of institutions of higher education, including the duties of institutions of higher education under section 7; and

(B) a process by which such rules may be enforced;

(2) establish and maintain processes—

(A) by which third parties shall register with the National Collegiate Athletic Association; and

(B) for regulating third parties;

(3) establish and maintain a mechanism for certifying and regulating third parties that provide compensation to student athletes under name, image, or likeness contracts;

(4) develop and maintain—

(A) a list of permissible activities for registered third parties;
(B) a uniform standard name, image, or likeness contract for use in all name, image, or likeness activities; and

(C) the educational resources described in subsection (a) of section 7 and the financial literacy curriculum and programming described in subsection (b) of that section; and

(5) establish a dispute resolution process for student athletes who assert a violation of this Act, under which a student athlete may select arbitration.

(b) Authority.—

(1) INVESTIGATIONS AND AUDITS.—The National Collegiate Athletic Association shall—

(A) conduct investigations and audits to assess compliance with this Act; and

(B) not less frequently than annually, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives an annual report with respect to such compliance.

(2) PENALTIES.—In the case of a violation of this Act or a potential violation of any other Federal law by an agent, third party, institution of higher
education, conference, or student athlete, the National Collegiate Athletic Association may—

(A) revoke licenses to participate in name, image, or likeness activities;

(B) with respect to a violation of this Act, refer the matter to the Federal Trade Commission as an unfair and deceptive act or practice for enforcement; and

(C) with respect to a violation of any other Federal law, refer the matter to the appropriate Federal agency for enforcement.

(3) LIMITATION.—The National Collegiate Athletic Association shall not have the authority to approve name, image, or likeness contracts for legality or appropriateness.

(c) NONCOMPLIANCE.—In the case of a failure by the National Collegiate Athletic Association to carry out the duties under this section, the Federal Trade Commission may commence an investigation of such failure and impose penalties, including—

(1) a penalty for an unfair and deceptive act or practice; and

(2) revocation of tax-exempt status.

(d) REPORT.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter, the
Federal Trade Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that summarizes any investigation or enforcement action brought by the Federal Trade Commission or the National Collegiate Athletic Association under this Act during the preceding year, including the number of complaints filed with the Federal Trade Commission under this Act.

(e) Disclosure.—The disclosure of a name, image, or likeness contract to the National Collegiate Athletic Association may not be construed as an approval by the National Collegiate Athletic Association of the contract with respect to the legal requirements of the contract.

SEC. 10. LIMITATION OF LIABILITY.

No agreement, understanding, rule, or bylaw adopted by a conference, the National Collegiate Athletic Association, or a combination of 2 or more institutions of higher education acting in concert that is authorized, consistent with, or reasonably contemplated by any provision of this Act shall be invalid or a basis for liability under or pursuant to any Federal or State law upon enactment of this Act.
SEC. 11. RELATIONSHIP TO STATE LAW.

(a) STATE PREEMPTION.—No State or political subdivision of a State may adopt, maintain, enforce, or continue in effect any law, regulation, rule, requirement, or standard that—

(1) conflicts with the provisions of this Act;

(2) limits or restricts the rights of student athletes, the National Collegiate Athletic Association, conferences, or institutions of higher education under this Act; or

(3) relates to the rights of student athletes to receive compensation directly or indirectly from any institution of higher education, affiliate of an institution of higher education, third party, conference, or the National Collegiate Athletic Association.

(b) NONDISCRIMINATION OF STUDENT ATHLETES.—

No State or political subdivision of a State may establish or continue in effect any law, regulation, rule, requirement, or standard that is inconsistent with title IX of the Higher Education Act of 1972 (20 U.S.C. 1681 et seq.), including any law, regulation, rule, requirement, or standard that provides for the payment of student athletes participating in a varsity intercollegiate athletics program based on a share of annual revenue generated by that particular sports program.
SEC. 12. RULES OF CONSTRUCTION.

(a) Tax Provisions.—Nothing in this Act or the amendments made by this Act shall affect the treatment of qualified scholarships under section 117 of the Internal Revenue Code of 1986.

(b) Classification of Student Athletes.—Nothing in this Act or the amendments made by this Act shall affect the employment status of a student athlete with respect to a conference or an institution of higher education.