

LSU Board of Supervisors Policy on Student-Athlete Name, Image and Likeness (NIL)

I. Purpose

Upon the adoption of Senate Bill 60 of the 2021 Regular Session of the Louisiana Legislature, student-athletes are permitted to receive compensation for use of their name image and likeness. The law requires that the management board to adopt a policy containing the requirements of the law prior to implementing the provisions contained in the bill. This policy applies to all campus locations of LSU.

II. Definitions

Intercollegiate Athlete Name, Image and Likeness (NIL): An initiative to allow an intercollegiate athlete the opportunity to benefit from the use of their NIL in ways that are consistent with the recommendations by the NCAA Name, Image and Likeness Legislative Solutions Group.

Examples of how intercollegiate athletes could use their NIL (not an exhaustive list):

- a) Promote their own business
- b) Promote a corporate entity (e.g., brand ambassador, social media influencer)
- c) Establish their own camp/clinic
- d) Make an appearance at any location and receive compensation
- e) Sign autographs and receive compensation

Athlete Agent: Any individual who, directly or indirectly, represents or attempts to represent an individual for the purpose of marketing his/her athletics ability or reputation for financial gain or seeks to obtain any type of financial gain or benefit from an intercollegiate athlete's potential earnings as a professional athlete.

Athletics Booster: A person or entity that has participated in or has been a member of an organization promoting a postsecondary education institution's athletic program.

Athletics Eligibility: A term used to reference whether an intercollegiate athlete is "eligible" to compete for a postsecondary education institution's intercollegiate athletics program.

Athletics Program: The intercollegiate athletics department of a postsecondary education institution.

Attorney: A person appointed to act for another in business or legal matters.

Endorsement: An act of giving one's public approval or support to someone or something.

Grant-in-Aid (including Cost of Attendance): Athletically related financial aid to assist an intercollegiate athlete with costs associated with attending a postsecondary education institution.

Intercollegiate Athlete: Student who is enrolled at postsecondary education institution and participates in a sponsored sport of the postsecondary education institution's athletics department.

Institutional Staff Member: an officer, director, employee or agent of a postsecondary education institution.

Market Value: A rate of compensation to an intercollegiate athlete for the use of their NIL based on a current and open market.

Postsecondary Education Institution: Louisiana public/non-public college that receives or disburses state student financial assistance, which includes scholarships and grants.

Prospective Student-Athlete: Individual who has started classes for the ninth grade in high school.

Recruiting Inducement: Arrangement or other direct or indirect method to give or offer to give a prospective student-athlete or their family that is not expressly permitted by NCAA regulations.

Team Contract: Any agreement between an intercollegiate athlete and a postsecondary education institution that could impact the intercollegiate athlete's eligibility to participate in an intercollegiate sport, including, but not limited to, scholarship agreements or participation agreements.

III. Intercollegiate Athlete's Compensation Guidelines

An intercollegiate athlete at a postsecondary education institution may earn compensation for the use of their NIL provided:

- a) The compensation is not provided in exchange of athletics performance;
- b) The compensation (or prospective compensation) is not provided as an inducement to attend the institution ("recruiting");
- c) The compensation is commensurate with market value; and
- d) The compensation is not provided by the postsecondary education institution, an entity whose purpose includes supporting or benefitting such postsecondary education institution or its intercollegiate athletics program, or an officer, director, employee or agent of the postsecondary education institution or entity.

Compensation earned by the intercollegiate athlete in a manner consistent with the guidelines outlined herein will not affect the intercollegiate athlete's grant-in-aid or athletics eligibility. The grant-in-aid (including cost of attendance) that is awarded to an intercollegiate athlete by a postsecondary education institution shall not be considered compensation and shall not be revoked or reduced as a result of an intercollegiate athlete's earnings through a permissible NIL agreement.

IV. Institutional Responsibilities

Student-athletes will have the freedom to earn compensation for their name image and likeness, subject only to certain limitations contain in statute and this policy.

- a) A postsecondary education institution may prohibit an intercollegiate athlete from using their NIL for compensation if such opportunity conflicts with an existing institutional sponsorship agreement or contract or goes against the values of the postsecondary education institution.
 - *"Institutional Values" shall be based upon the current limitations and parameters placed on organizations (and products) that may engage in university sponsorships.
- b) The institution shall educate student-athletes on the limitations described above and promptly determine where conflicts exist and notify student-athletes.
- c) An institutional staff member of a postsecondary education institution shall not be involved in arranging compensation for an intercollegiate athlete or providing compensation themselves.
- d) Athletics boosters are prohibited from creating or facilitating NIL compensation opportunities for prospective student-athletes as a recruiting inducement or current student-athlete as an inducement to remain enrolled at her respective postsecondary institution.

V. Use of Institutional Marks

An intercollegiate athlete shall not use a postsecondary education institution's facilities, uniforms, registered trademarks, products protected by copyright, or official logos, marks, colors without the express written permission of the postsecondary education institution.

VI. Representation from Agent/Attorney

The postsecondary education institution may not prevent or restrict an intercollegiate athlete from obtaining representation by an athlete agent or an attorney for the sole purpose of representing the intercollegiate athlete in matters pertaining to the use of the intercollegiate athlete's NIL.

Any representation by an athlete agent obtained by an intercollegiate athlete for the purpose of representing the intercollegiate athlete in matters pertaining to the use of the intercollegiate athlete's NIL shall be from an individual registered with the state in accordance with, and in compliance with, the provisions of Chapter 7 of Title 4 of the Louisiana Revised Statues of 1950¹. However, notification provisions of R.S. 4:424 (D)(3) are not required when athlete agent contacts an intercollegiate athlete for the sole purpose of representing the intercollegiate athlete in matters pertaining to the use of the intercollegiate athlete's NIL.²

¹ Entire Chapter 7 of Title 4 found here: <u>Louisiana State Legislature website</u>

² Full text of R.S. 4:424(D)(3): "A duty to notify the athletic director of the institution or school that the athlete attends and the head coach of the sport in which the athlete competes seven days in advance of any contact with an athlete of an intent by the agent to contact the athlete."

Any attorney retained by an intercollegiate athlete for the purpose of representing the intercollegiate athlete in matters pertaining to the use of the intercollegiate athlete's NIL, shall be licensed to practice law. The attorney shall provide a letter of good standing showing his law license and state of issuance and it shall be kept on file with the postsecondary education institution's compliance office.

VII. Education/Workshop

The postsecondary education institution shall conduct a financial literacy and life skills educational workshop in areas such as, but not limited to:

- a) financial aid;
- b) debt management;
- c) budget information; and
- d) time management.

The workshops shall be for a minimum of five hours total and shall be offered at the beginning of an intercollegiate athlete's first and third academic years.

The postsecondary education institution shall provide education to its intercollegiate athletes on:

- the process to gain express permission by the postsecondary education institution to use its facilities, uniforms, registered trademarks, products protected by copyright, and official logos, marks, colors for the sole purpose of the intercollegiate athlete's NIL;
- the process to disclose any agreements with an athlete agent and/or attorney for the purpose of the intercollegiate athlete's NIL;
- the method used to disclose any agreements using the intercollegiate athlete's NIL; and,
- endorsements by an intercollegiate athlete's NIL that are prohibited in the following areas: tobacco, alcohol, illegal substances or activities, banned athletic substances, and gambling.

VIII. Additional General Guidelines

A contract for compensation for the use of the NIL of an intercollegiate athlete under eighteen years of age shall be executed on the intercollegiate athlete's behalf by their parent or legal quardian.

An intercollegiate athlete shall not enter into a contract for compensation for the use of the intercollegiate athlete's NIL if a term of the contract conflicts with a term of the intercollegiate athlete's athletics program's team contract.

An intercollegiate athlete must disclose any agreements made for the use of an intercollegiate athlete's NIL to the postsecondary education institution.

Any compensation earned by an intercollegiate athlete shall not be for an endorsement of tobacco, alcohol, illegal substances or activities, banned athletic substances, or any form of

gambling. Each postsecondary education institution or the postsecondary education institution's athletics program shall have the discretion to determine what constitutes an endorsement of a prohibited area in these categories.

The duration of a contract for representation of an intercollegiate athlete or compensation for the use of an intercollegiate athlete's NIL shall not extend beyond their participation in an athletics program at a postsecondary education institution.

IX. Reporting Requirements:

Each postsecondary education institution will adopt its own policies and procedures in accordance with Louisiana law for its intercollegiate athletes to report agreements using the intercollegiate athlete's NIL.

X. Monitoring:

Each postsecondary education institution will adopt its own policies and procedures for monitoring contracted and non-contracted agreements of their intercollegiate athlete's use of their NIL.

XI. Enforcement/Sanctions:

Each postsecondary education institution will adopt its own enforcement guidelines and sanctions when an intercollegiate athlete does not abide by the polices set forth in this document.

XII. Sources:

- Louisiana Laws Title 4, Chapter 7 (La. R.S. 4:420 et seq.) State of Louisiana Bill SB 60
- Louisiana Legislature, Senate Bill 60 of 2021 Regular Session enacting Chapter 30 of Title 17 (La. R.S. 17:3701-7303)
- NCAA Division I Name, Image and Likeness Legislative Solutions Group- Legislative Recommendations (Updated: October 8, 2020)