

164.6947 Governing board of postsecondary educational institution may adopt policy regulating name, image, and likeness agreements -- Review by institution of proposed agreements -- Liability of employees for damages to student-athlete's ability to earn compensation -- Workshop in financial literacy and life skills -- Programs to provide agreement resources -- Disclosure of information relating to agreements.

- (1) Due to the critical mission of postsecondary educational institutions and the importance of integrity in an institution's participation in intercollegiate athletics, the governing board of an institution may adopt a policy governing the name, image, and likeness agreements of the institution's student-athletes. Any restrictions included in the policy shall be reasonable and shall not be an undue burden on the student-athlete's ability to earn compensation through NIL agreements. Reasonable restrictions shall be in writing and provided to all student-athletes. The institution's policy shall ensure the equitable enforcement of restrictions. Reasonable restrictions that an institution may choose to impose include but are not limited to:
 - (a) Prohibiting a student-athlete from entering into an NIL agreement for products or services that are reasonably considered to conflict with the mission of the institution, in the same manner as any other student would be prohibited;
 - (b) Forbidding or establishing the conditions for the institution's student-athletes' use of the institution's intellectual property, such as trademarks, trade dress, and copyrights, in NIL agreement activities. These conditions may include preferential conditions for activities involving the institution's partner entities;
 - (c) Prohibiting a student-athlete from entering into any NIL agreement that would cause the athlete to miss an official team activity;
 - (d) Restricting a student-athlete's NIL agreement activities during official team activities;
 - (e) Requiring a student-athlete to participate in official team activities pursuant to the written team contract, which may include the use of the name, image, or likeness of the athlete; and
 - (f) Imposing disciplinary action under team, institution, or athletic association rules if a student-athlete violates the provisions of KRS 164.6941 to 164.6951 or violates a reasonable restriction.
- (2) (a) A student-athlete who wishes to enter into an NIL agreement shall submit the potential agreement to an official designated by the institution in which the student is enrolled in a manner designated by the institution. The institution shall have up to three (3) business days to review the potential NIL agreement for conflicts with the provisions of KRS 164.6941 to 164.6951 or the institution's reasonable restrictions and provide the student-athlete with a written notice of any conflicts identified by the institution. The written notice from the institution may include recommendations or identify concerns. After any conflicts are resolved, the student-athlete may then enter into the agreement. Any subsequent proposed modifications to the agreement shall be submitted for review in the same manner.

- (b) The governing board of the institution shall adopt a policy to carry out the provisions of this subsection that:
1. Designates the official to receive NIL agreement submissions;
 2. Establishes NIL agreement review procedures;
 3. Provides student-athletes with a process to appeal conflict determinations; and
 4. Ensures review of appeals in a timely manner.
- (3) An institution's employees, including athletics coaching staff, shall not be liable for any damages to a student-athlete's ability to earn compensation through an NIL agreement resulting from decisions and actions routinely taken in the course of intercollegiate athletics. However, nothing in this subsection shall protect the institution or its employees from acts of gross negligence, or wanton, willful, malicious, or intentional misconduct.
- (4) An institution shall provide the institution's student-athletes with a financial literacy and life skills education workshop for a minimum of five (5) hours at the beginning of the athlete's first and third academic years. The education shall, at a minimum, include information concerning financial aid, debt management, saving and budgeting best practices, time management, available academic resources, and the skills necessary for success as a student-athlete. The workshop shall also provide social media and brand management education. The workshop shall not include any marketing, advertising, or referral for, or solicitation by, providers of financial, marketing, branding, or other NIL agreement products or services.
- (5) An institution's governing board may establish a program to provide NIL agreement resources and ongoing support to the institution's student-athletes. The mission and the extent of the program shall be established by the governing board and may include:
- (a) Providing impartial analysis of potential NIL agreements;
 - (b) Referring third parties soliciting potential NIL agreements to student-athletes or their athlete agents; and
 - (c) Maintaining educational resources on name, image, and likeness for student-athlete use.
- (6) An institution's governing board may establish a program to provide NIL agreement resources as it relates to student-athletes to the general public and potential third-party licensees.
- (7) For the purposes of the Kentucky Open Records Act, KRS 61.870 to 61.884, an NIL agreement submitted pursuant to subsection (2) of this section to a public postsecondary institution and the information obtained from the agreement shall be considered as containing information of a personal nature where the public disclosure thereof would constitute a clearly unwarranted invasion of personal privacy under KRS 61.878 and not subject to disclosure.

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