

164.6943 Restrictions on institutions and associations regarding student-athletes' agreements and agents.

- (1) An institution or an association shall not prohibit a student-athlete from lawfully earning compensation through a name, image, and likeness agreement with a third party, except as otherwise agreed to in an institutional agreement between the student-athlete and the institution or affiliated corporation, or from obtaining an athlete agent and shall not penalize an athlete for doing so. However, an institution or an intercollegiate athletic association may require that compensation be consistent with the prevailing range of compensation.
- (2) An institution shall not revoke a student-athlete's scholarship or allow eligibility for a scholarship to be adversely impacted because of an athlete lawfully earning compensation through an NIL agreement or obtaining an athlete agent, unless the athlete has violated a reasonable restriction imposed by the institution under KRS 164.6947. However, a student-athlete's need-based financial assistance or an academic scholarship based in part on financial need may be affected by the income generated by an institutional agreement or an NIL agreement.
- (3) An association shall not prohibit an institution from participating in intercollegiate athletics due to an institution's student-athlete lawfully earning compensation through an NIL agreement with a third party or obtaining an athlete agent and shall not penalize an institution for its student-athlete doing so.

Effective: March 13, 2025

History: Amended 2025 Ky. Acts ch. 10, sec. 2, effective March 13, 2025. -- Created 2022 Ky. Acts ch. 12, sec. 2, effective March 9, 2022.

Legislative Research Commission Note (3/13/2025). A reference to "affiliated organization" in 2025 Ky. Acts ch. 10, sec. 2, has been changed in codification to "affiliated corporation" in subsection (1) of this statute. 2025 Ky. Acts ch. 10 amended KRS 164.6941 to 164.6951 to, among other things, define "affiliated corporation," delete the definition of "affiliated organization," and replace existing references to conform. This manifest clerical or typographical error has been corrected under the authority of KRS 7.136.