

State of Arkansas
95th General Assembly
Regular Session, 2025

A Bill

HOUSE BILL 1917

By: Representatives M. Shepherd, Evans

By: Senator Hester

For An Act To Be Entitled

AN ACT TO AMEND THE ARKANSAS STUDENT-ATHLETE
PUBLICITY RIGHTS ACT; TO AMEND THE LAW RELATED TO
ATHLETIC PROGRAM FUNDING; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE ARKANSAS STUDENT-ATHLETE
PUBLICITY RIGHTS ACT; AND TO AMEND THE
LAW RELATED TO ATHLETIC PROGRAM FUNDING.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code §§ 4-75-1303 – 4-75-1305 are amended to read as follows:

4-75-1303. Right to compensation.

(a) Except as prohibited in this subchapter, a student-athlete shall have the right to enter into a contract and receive compensation for the commercial use of the student-athlete's publicity rights.

(b) An institution of higher education, its supporting foundations, or its authorized entities may ~~identify~~:

(1) Identify, create, facilitate, and otherwise enable opportunities for a student-athlete to earn compensation for the commercial use of the student-athlete's publicity rights;

(2) Compensate a student-athlete for the commercial use of the student-athlete's publicity rights; and

(3) Enter into an exclusive or nonexclusive license agreement with a student-athlete for the commercial use of the student-athlete's publicity rights.



~~(c)(1) A charitable organization that qualifies as an exempt organization under 26 U.S.C. § 501(c)(3), as it existed on January 1, 2023, shall have the right to compensate student athletes for the commercial use of the student athlete's publicity rights.~~

~~(d) Except as provided in this subchapter or applicable federal law, an institution of higher education shall not uphold any rule, requirement, standard, or other limitation of an athletic association or athletic conference that prevents a student athlete from earning compensation for the commercial use of the student athlete's publicity rights~~ An institution of higher education in this state may revoke or rescind an agreement or commitment to provide compensation, a grant-in-aid, or other benefit to a student-athlete who receives or agrees to receive compensation that conflicts with a term or condition of a contract, policy, rule, regulation, or standard of the student-athlete's committed or enrolled institution of higher education.

(2) The institution of higher education and officers, agents, and employees of the institution of higher education shall not be liable for damages or be subjected to any injunctive relief by a court as a consequence of the revocation or rescission of an agreement under subdivision (c)(1) of this section.

~~(e) Earning compensation for the commercial use of a student athlete's publicity rights shall not affect the student athlete's scholarship eligibility.~~

~~(f)~~(d) An athletic association, athletic conference, or any other organization with authority over varsity intercollegiate athletics shall not:

(1) Prevent a student-athlete from receiving compensation for the commercial use of the student-athlete's publicity rights under this subchapter;

(2) Penalize a student-athlete for receiving compensation for the commercial use of the student-athlete's publicity rights under this subchapter unless expressly agreed by an institution of higher education as a condition of athletic association or conference membership or as otherwise provided by applicable federal law; or

(3) Prevent an institution of higher education from participating in varsity intercollegiate athletics, or otherwise penalize an institution of higher education, as a result of a student-athlete's receipt

of compensation under this subchapter unless expressly agreed by an institution of higher education as a condition of athletic association or conference membership or as otherwise provided by applicable federal law.

(e) Income received by a student-athlete from an institution of higher education as compensation for the use of his or her name, image, or likeness or as a percentage of institutional athletic revenue permitted by the institution of higher education's governing athletic association or conference under this subchapter is exempt from state income tax.

(f) Personal or financial information of a student-athlete contained in an agreement authorized under this subchapter is confidential and not subject to disclosure under the Freedom of Information Act of 1967, § 25-19-101 et seq.

4-75-1304. Conflicts.

(a) A third-party licensee or student-athlete shall not enter into a contract for the commercial use of the student-athlete's publicity rights if the contract:

(1) Requires the student-athlete to endorse, use, solicit, sell, market, advertise, promote, refer to, mention, display, or otherwise promote the name, image, logo, product, service, purpose, campaign, business, digital or physical address, or location of any third-party licensee or commercial entity during a varsity intercollegiate athletic practice, competition, or other activity without the written authorization from the student-athlete's committed or enrolled institution of higher education;

(2) Conflicts with a term or condition of a contract, policy, rule, regulation, or standard of the student-athlete's committed or enrolled institution of higher education; or

(3) Involves the student-athlete's performance or lack of performance in athletic competition without the written authorization from the student-athlete's committed or enrolled institution of higher education.

(b) A contract in violation of this subchapter is void and unenforceable.

4-75-1305. Representation.

(a) An agent, athlete agent, financial advisor, or attorney who is providing professional representation of a student-athlete shall be licensed,

as applicable, in this state.

~~(b) An institution of higher education, athletic association, athletic conference, or other organization with authority over varsity intercollegiate athletics shall not prevent a student athlete from participating in a varsity intercollegiate sport, or otherwise penalize a student athlete, for obtaining professional representation in connection with an opportunity to earn compensation for the commercial use of the student athlete's publicity rights.~~

~~(c) A student-athlete may rescind a publicity rights contract with a third-party licensee or a contract for professional representation related to publicity rights without being held liable for breach of contract and with no obligation to return payments received before giving notice of rescission if the student-athlete:~~

~~(1) Student-athlete is no longer eligible to participate in any varsity intercollegiate athletics program at an institution of higher education; or~~

~~(2) Individual providing professional representation is not licensed in this state.~~

SECTION 2. Arkansas Code § 4-75-1307(a)(5), concerning that the Arkansas Student-Athlete Publicity Rights Act does not render a student-athlete an employee of the institution of higher education, is amended to read as follows:

(5)(A) Render student-athletes employees of the institution of higher education based on participation in varsity intercollegiate athletic competition.

(B) A student-athlete has not been and shall not be considered an employee of an institution of higher education, a conference, or an association for purposes of or as a basis for imposing liability or awarding damages or other monetary relief under any state law based on the student-athlete's receipt of compensation or of any payments or benefits, other than payment of hourly wages and benefits for work actually performed and not for participation in intercollegiate athletics, at a rate commensurate with the applicable rate in the locality of the institution of higher education for similar work or any of the following:

(i) Participation in intercollegiate athletic

competition;

(ii) Membership on any varsity sports team; or

(iii) Imposition of requirements, controls or restrictions on student-athletes by institutions of higher education, in connection with participation in intercollegiate athletic activities, practices, and competition.

SECTION 3. Arkansas Code § 4-75-1307, concerning the scope of the Arkansas Student-Athlete Publicity Rights Act, is amended to add an additional subsection to read as follows:

(c) Notwithstanding any provision of state law to the contrary, the release of or license to use purported name, image, and likeness rights or a name, image, and likeness agreement shall not be required from or with any individual or group of participants in a sports game, contest, or event or spectators at a sports game, contest, or event for audiovisual, audio, or visual broadcasts, rebroadcasts, or other distributions of the sports game, contest, or event.

SECTION 4. Arkansas Code § 4-75-1308(d), concerning liability under the Arkansas Student-Athlete Publicity Rights Act, is amended to read as follows:

(d) An institution of higher education, ~~located within this state or~~ its employees, a supporting foundation or authorized entity, an athletic association, a conference, or other organization with authority over varsity intercollegiate athletics ~~located within this state, including athletics coaching staff,~~ shall not be liable for any damages related to an subject to liability to a person or an entity as a result of:

(1) An intercollegiate student-athlete's ability or inability to earn compensation for the use of the student-athlete's name, image, or likeness resulting from decisions and actions routinely taken within the course of their employment ~~is~~ related to intercollegiate athletics;

(2) The adoption of, agreement to, enforcement of, or compliance with any rule or bylaw of an association or conference that does not violate this subchapter limiting or prohibiting a student-athlete from receiving compensation from an association, conference, institution, or other person or entity;

(3) Restricting or curtailing the eligibility for an intercollegiate athletics competition of a student-athlete who violates this subchapter or a rule of the institution of higher education, association, or conference implementing the requirements of this subchapter; or

(4) Complying with an agreement, understanding, rule, or bylaw adopted by an institution of higher education, conference, or association or a combination of conferences or institutions of higher education that is otherwise reasonably contemplated under this subchapter.

SECTION 5. Arkansas Code § 4-75-1308, concerning the civil remedies available under the Arkansas Student-Athlete Publicity Rights Act, is amended to add an additional subsection to read as follows:

(e) This subchapter does not waive any immunity or statutory protection available to or constitutional autonomy of an institution of higher education located within the state or an officer, agent, or employee of the institution of higher education.

SECTION 6. Arkansas Code § 6-62-803 is amended to read as follows:
6-62-803. Limits on funding.

(a) For the certification required under § 6-62-805, the amount allowed to be budgeted of unrestricted educational and general funds for intercollegiate athletic programs at a state-supported institution ~~institutions~~ of higher education shall be limited to an amount ~~established:~~

(1) Established by the Division of Higher Education for the fiscal year 2012-2013; ~~or an~~

(2) An amount of not more than ~~two percent (2%)~~ four percent (4%) of the actual total unrestricted educational and general revenues of the previous fiscal year at ~~institutions~~ the state-supported institution of higher education.

(b) The division shall annually adjust the allowable transfer based upon the Consumer Price Index.

(c) This section shall not apply to ~~expenditures:~~

(1) An expenditure related to compliance with § 6-60-111 or increased compliance under 20 U.S.C. § 1092(f), ~~nor the;~~

(2) The transfer of funds necessary to support women's athletic programs; or

(3) The transfer of funds necessary to:

(A) Comply with federal regulations affecting athletics programs; or

(B) Make up shortfalls in anticipated revenues due to third-party litigation settlements affecting athletics programs.

SECTION 7. EFFECTIVE DATE. Arkansas Code § 4-75-1303(e) of Section 1 of this act is effective for tax years beginning on or after January 1, 2025.

APPROVED: 4/17/25