

House Bill 1276

By: Representatives Cox of the 28<sup>th</sup>, Rhodes of the 124<sup>th</sup>, Kelley of the 16<sup>th</sup>, Cannon of the 172<sup>nd</sup>, Scoggins of the 14<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Titles 20 and 39 of the Official Code of Georgia Annotated, relating to education  
2 and minors, respectively, so as to provide for high school student athletes and prospective  
3 student athletes to receive name, image, or likeness compensation; to provide for the  
4 automatic expiration of contracts that provide name, image, and likeness compensation to  
5 student athletes after the student athlete graduates or is no longer enrolled; to provide for  
6 application to certain athletic associations; to allow for professional representation of student  
7 athletes and prospective student athletes; to provide for required written notice to high school  
8 student athletes; to require the appointment of conservators and the establishment of trust  
9 accounts for certain minors who are employed or compensated; to provide for requirements  
10 related to such trust accounts; to provide for rules and regulations; to provide for definitions;  
11 to provide for construction; to provide for applicability; to provide a short title; to provide  
12 for related matters; to provide for an effective date and applicability; to repeal conflicting  
13 laws; and for other purposes.

14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

15 **SECTION 1.**

16 This Act shall be known and may be cited as the "Georgia High School NIL Protection Act."

H. B. 1276

**SECTION 2.**

17  
18 Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to elementary and  
19 secondary education, is amended by adding a new article to read as follows:

20 "ARTICLE 32A

21 20-2-2105.

22 As used in this article, the term:

23 (1) 'Athletic association' means any association of schools or any other similar  
24 organization which acts as an organizing, sanctioning, scheduling, or rule-making body  
25 for interscholastic athletic events in which public high schools in this state participate.

26 (2) 'Compensation' means anything of value and shall include, but shall not be limited  
27 to, a promise, performance, or forbearance provided by a promisor in exchange for his,  
28 her, or its promise.

29 (3) 'Interscholastic athletic activity' means:

30 (A) Interscholastic athletic events, competitions, scrimmages, exhibitions, practices,  
31 and training sessions; and

32 (B) Intraschool competitions, scrimmages, exhibitions, tryouts, practices, and training  
33 sessions related to interscholastic athletics.

34 (4) 'NIL compensation' means compensation received for the use of a person's name,  
35 image, or likeness.

36 (5) 'Parent' means a person who has legal authority to act on behalf of a minor child as  
37 a natural or adoptive parent or a legal guardian.

38 (6) 'Participating school' means a public or private high school in this state which is a  
39 member of an athletic association or participates in interscholastic athletic events which  
40 are conducted under the authority or rules of an athletic association.

41 (7) 'Student athlete' means a student enrolled in a participating school who participates  
42 in or is eligible to participate in any interscholastic athletic event which is conducted  
43 under the authority or rules of an athletic association. Such term shall include home  
44 study students who participate in such interscholastic athletic events as provided in Code  
45 Section 20-2-319.6.

46 (8) 'Transaction' means any action or set of actions occurring between two or more  
47 persons for the sale or exchange of any property or services.

48 20-2-2105.1.

49 Nothing in this article shall be construed to abrogate, impair, or limit the authority of the  
50 courts of this state or any department or agency of this state to enforce any provision of  
51 federal or state law.

52 20-2-2105.2.

53 A scholarship from the participating school in which a student athlete is enrolled that  
54 provides the student athlete with all or part of the cost of attendance at such participating  
55 school is not NIL compensation for purposes of this article.

56 20-2-2105.3.

57 (a) Subject to the provisions of Code Sections 39-2-18 through 39-2-21, a student athlete  
58 may receive NIL compensation.

59 (b) No current or prospective student athlete shall be provided or shall receive NIL  
60 compensation in exchange, in whole or in part, for attending, participating, or performing  
61 at a particular participating school or a postsecondary educational institution as such term  
62 is defined in Code Section 20-3-680.

63 (c) No participating school or entity whose purpose includes supporting or benefiting such  
64 participating school or its interscholastic athletic programs or events or any officer,

65 director, employee, or agent of such participating school or entity shall provide a current  
66 or prospective student athlete with NIL compensation.

67 (d) No student athlete who receives NIL compensation pursuant to this article shall:

68 (1) Wear a school based team jersey or otherwise display a school's name, mascot, logo,  
69 or any other school identifying marks when engaging in any activity in exchange for  
70 receiving NIL compensation;

71 (2) Make any reference to a participating school or an athletic association when engaging  
72 in any activity in exchange for receiving NIL compensation; or

73 (3)(A) Except as provided in subparagraph (B) of this paragraph, endorse or promote  
74 any good or service of any party that provides NIL compensation to such student athlete  
75 or of any third-party partner of a party that provides NIL compensation to such student  
76 athlete during any interscholastic athletic activity, including, but not limited to:

77 (i) Wearing apparel of such party or third-party partner;

78 (ii) Displaying a logo or brand of such party or third-party partner; and

79 (iii) Displaying an insignia or identifying mark of such party or third-party partner.

80 (B) The prohibitions provided for in subparagraph (A) of this paragraph shall not apply  
81 to tryouts, practices, or training sessions.

82 (e) No student athlete may receive NIL compensation for any activity that reasonably can  
83 be perceived as endorsing or promoting:

84 (1) Alcohol products;

85 (2) Tobacco products, including, but not limited to, smokeless tobacco products;

86 (3) Vapor products;

87 (4) Cannabis products;

88 (5) Controlled substances;

89 (6) Prescription pharmaceuticals;

90 (7) Casinos and gambling, including sports betting, the lottery, and betting in connection  
91 with video games, online games, and mobile devices;

- 92 (8) Adult entertainment or pornographic products and services;  
93 (9) Any product or service, including, but not limited to, online services and products,  
94 that are restricted for people under the age of 18 years; and  
95 (10) Weapons, firearms, and ammunition.

96 20-2-2105.4.

97 Each participating school in this state shall advise in writing at the beginning of the season  
98 of each interscholastic athletic activity each student athlete of the provisions of this article,  
99 Article 13 of Chapter 3 of this title, and Code Sections 39-2-18 and 39-2-18.1, and shall  
100 provide each student athlete with information concerning the effect of receiving money or  
101 other things of value on the student athlete's future eligibility to participate in  
102 intercollegiate athletics. The provisions of this Code section shall not apply to intramural  
103 athletic programs or events at such participating schools.

104 20-2-2105.5.

105 (a) No contract that provides for compensation to a student athlete for the use of his or her  
106 name, image, or likeness shall survive after the earlier of:

107 (1) Ten calendar days after the date upon which such student athlete graduates from a  
108 participating school; or

109 (2) Thirty calendar days after the date upon which such student athlete's enrollment in  
110 a participating school terminates for any reason provided for by Georgia law, the policies,  
111 rules, or regulations of the State Board of Education, or the policies, rules, or regulations  
112 of a nonpublic participating school, including, but not limited to, withdrawal, lack of  
113 attendance, drop out, nonresidency in the participating school's attendance zone,  
114 nonresidency in the state, enrollment in a school that is not a participating school, and  
115 expulsion.

116 (b) No contract that provides for compensation to a student athlete for the use of his or her  
117 name, image, or likeness shall include any provision that does not comply with the  
118 provisions of subsection (a) of this Code section, and any such provision shall be void and  
119 unenforceable.

120 20-2-2105.6.

121 (a) No athletic association shall prevent a student athlete from or penalize a student athlete  
122 for receiving compensation for the use of his or her name, image, or likeness as provided  
123 for in this article.

124 (b) No athletic association shall prevent a participating school from participating in  
125 interscholastic athletic events, or otherwise penalize a participating school, as a result of  
126 a student athlete of such participating school receiving compensation for the use of his or  
127 her name, image, or likeness as provided for in this article.

128 (c) No public school which receives funding under Article 6 of this chapter shall  
129 participate in, sponsor, or provide coaching staff for interscholastic athletic events which  
130 are conducted under the authority of, conducted under the rules of, or scheduled by any  
131 athletic association unless the charter, bylaws, or other governing documents of such  
132 athletic association comply with this article.

133 20-2-2105.7.

134 (a) No participating school or athletic association shall prevent a student athlete from  
135 obtaining professional representation in relation to contracts or legal matters, including, but  
136 not limited to, representation provided by athlete agents who are certified as provided for  
137 under Chapter 4A of Title 43 and legal representation provided by attorneys who are  
138 licensed to practice law in the state.

139 (b) Athlete agents representing student athletes shall comply with the federal Sports Agent  
 140 Responsibility and Trust Act, established in 15 U.S.C. Section 7801, et seq., in their  
 141 relationships with student athletes."

142 **SECTION 3.**

143 Chapter 2 of Title 39 of the Official Code of Georgia Annotated, relating to regulation of  
 144 employment of minors, is amended by revising Code Section 39-2-18, relating to  
 145 applicability of provisions of chapter to minors employed as actors or performers, as follows:  
 146 "39-2-18.

147 (a) Notwithstanding any other provisions of this chapter to the contrary, nothing in this  
 148 chapter shall apply to any minor employed or compensated:

149 (1) As as an actor or performer in motion pictures or theatrical productions, in radio or  
 150 television productions, in any other performance, concert, or entertainment;~~;~~ ~~or to any~~  
 151 ~~minor employed in~~

152 (2) For the making of phonographic records; ~~or as~~

153 (3) As an advertising or photographic model; ~~or~~

154 (4) For the use of such minor's name, image, or likeness,

155 provided that the written consent of the Commissioner of Labor must be first obtained.

156 (b) Before the Commissioner of Labor shall give his or her written consent, as provided  
 157 in subsection (a) of this Code section, he or she shall investigate and determine that:

158 (1) The ~~That the~~ environment in which the work is to be performed is proper for the  
 159 minor;

160 (2) The terms and ~~That the~~ conditions of employment or compensation are not  
 161 detrimental to the health of the minor;

162 (3) The ~~That the~~ minor's education will not be neglected or hampered by his or her  
 163 participation in any of the activities referred to in subsection (a) of this Code section; and

164 (4) Neither That the minor nor his or her name, image, or likeness will not be used for  
165 pornographic purposes or for any purpose prohibited by subsection (e) of Code Section  
166 20-2-2105.3; and  
167 (5) For each minor who has received more than \$15,000.00 in NIL compensation as  
168 defined in Code Section 20-2-2105, a conservator has been appointed as provided in  
169 Chapter 3 of Title 29."

170 **SECTION 4.**

171 Said chapter is further amended by adding a new Code section to read as follows:

172 "39-2-18.1.

173 (a) As used in this Code section, the term 'employer' includes without limitation the  
174 person, corporation, partnership, proprietorship, or other business organization which is  
175 responsible for compensating a minor for the use of his or her name, image, or likeness as  
176 provided for in paragraph (4) of subsection (a) of Code Section 39-2-18.

177 (b) The conservator appointed by the probate court as provided in Chapter 3 of Title 29  
178 for each minor employed or compensated in one or more capacities as provided for in  
179 paragraphs (1) through (4) of subsection (a) of Code Section 39-2-18 shall meet all  
180 obligations of a conservator for minors provided by law, including, but not limited to, the  
181 obligations provided for in Code Section 29-3-21, and shall establish a trust account which  
182 meets, at a minimum, the following requirements:

183 (1) The minor is named as the beneficiary of the account;

184 (2) No less than 50 percent of the gross after-tax compensation of the minor shall be  
185 deposited into the account;

186 (3) The funds in the account shall become available to the minor upon the minor  
187 attaining the age of 18 years or until the minor is declared emancipated;

188 (4) The funds in the account shall be available only to the minor; and



189 (5) The account shall be held by a trust company, as defined in Code Section 44-5-111,  
190 or other financial institution authorized to act in such capacity pursuant to the provisions  
191 of Georgia law.

192 (c) The minor's conservator, parent, or legal guardian shall provide the minor's employer  
193 with the information necessary to transfer funds into the trust account provided for in  
194 subsection (b) of this Code section. Once the minor's employer deposits the funds into  
195 such trust account, the minor's employer shall have no further obligation or duty to monitor  
196 or account for such funds and only the conservator and the trustee, if different than the  
197 conservator, shall be obligated to monitor and account for such funds.

198 (d) If the minor's conservator, parent, or legal guardian fails to provide the minor's  
199 employer with the information necessary to transfer funds into the trust account within 30  
200 days after the terms of employment or compensation have become effective, funds that  
201 were to be transferred to the trust account shall be reported and remitted to the  
202 commissioner of revenue in accordance with Code Section 44-12-214 of the 'Disposition  
203 of Unclaimed Property Act.'

204 (e) Programs providing training on the applicability and details of this Code section shall  
205 be obligatory for students subject to Code Section 39-2-18. The Commissioner of Labor  
206 is hereby empowered to establish and regulate such training programs, including  
207 establishment of a list of approved vendors providing training required by this Code  
208 section. All parties involved in name, image, and likeness agreements, including students,  
209 their families, and third parties contracted with students related to such contracts, must  
210 receive training on the specifics of this Code section, including the trust accounts and  
211 responsibility associated therewith. A fee of no more than \$50.00 per person shall be  
212 charged for this training for all parties. Upon completion of such training, a certificate of  
213 completion shall be provided to individuals who successfully complete the training.

214 (f) Any third party contracted with minors related to name, image, and likeness  
215 agreements, as referenced in subsection (a) of Code Section 39-2-18, shall be required to

216 register with the state. The Commissioner of Labor or a qualified third party shall oversee  
217 the registration process and shall institute necessary regulations to implement this  
218 requirement and to ensure the protection and welfare of minors.  
219 (g) The Commissioner of Labor may adopt rules and regulations to implement this Code  
220 section."

221 **SECTION 5.**

222 This Act shall become effective upon its approval by the Governor or upon its becoming law  
223 without such approval and shall apply to all contracts entered into after such date.

224 **SECTION 6.**

225 All laws and parts of laws in conflict with this Act are repealed.