Stricken language would be deleted from and underlined language would be added to present law. Act 839 of the Regular Session

1	State of Arkansas	
2	95th General Assembly A Bill	
3	Regular Session, 2025HOUSE BILL 19	17
4		
5	By: Representatives M. Shepherd, Evans	
6	By: Senator Hester	
7		
8	For An Act To Be Entitled	
9	AN ACT TO AMEND THE ARKANSAS STUDENT-ATHLETE	
10	PUBLICITY RIGHTS ACT; TO AMEND THE LAW RELATED TO	
11	ATHLETIC PROGRAM FUNDING; AND FOR OTHER PURPOSES.	
12		
13		
14	Subtitle	
15	TO AMEND THE ARKANSAS STUDENT-ATHLETE	
16	PUBLICITY RIGHTS ACT; AND TO AMEND THE	
17	LAW RELATED TO ATHLETIC PROGRAM FUNDING.	
18		
19	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:	
20		
21	SECTION 1. Arkansas Code §§ 4-75-1303 — 4-75-1305 are amended to read	
22	as follows:	
23	4-75-1303. Right to compensation.	
24	(a) Except as prohibited in this subchapter, a student-athlete shall	
25	have the right to enter into a contract and receive compensation for the	
26	commercial use of the student-athlete's publicity rights.	
27	(b) An institution of higher education, its supporting foundations, o	r
28	its authorized entities may identify:	
29	(1) Identify, create, facilitate, and otherwise enable	
30	opportunities for a student-athlete to earn compensation for the commercial	
31	use of the student-athlete's publicity rights <u>;</u>	
32	(2) Compensate a student-athlete for the commercial use of the	
33	student-athlete's publicity rights; and	
34	(3) Enter into an exclusive or nonexclusive license agreement	
35	with a student-athlete for the commercial use of the student-athlete's	
36	publicity rights.	



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1	(c) <u>(l)</u> A charitable organization that qualifies as an exempt
2	organization under 26 U.S.C. § 501(c)(3), as it existed on January 1, 2023,
3	shall have the right to compensate student-athletes for the commercial use of
4	the student-athlete's publicity rights.
5	(d) Except as provided in this subchapter or applicable federal law,
6	an institution of higher education shall not uphold any rule, requirement,
7	standard, or other limitation of an athletic association or athletic
8	conference that prevents a student-athlete from earning compensation for the
9	commercial use of the student-athlete's publicity rights An institution of
10	higher education in this state may revoke or rescind an agreement or
11	commitment to provide compensation, a grant-in-aid, or other benefit to a
12	student-athlete who receives or agrees to receive compensation that conflicts
13	with a term or condition of a contract, policy, rule, regulation, or standard
14	of the student-athlete's committed or enrolled institution of higher
15	education.
16	(2) The institution of higher education and officers, agents,
17	and employees of the institution of higher education shall not be liable for
18	damages or be subjected to any injunctive relief by a court as a consequence
19	of the revocation or rescission of an agreement under subdivision (c)(l) of
20	this section.
21	(e) Earning compensation for the commercial use of a student-athlete's
22	publicity rights shall not affect the student-athlete's scholarship
23	eligibility.
24	(f)(d) An athletic association, athletic conference, or any other
25	organization with authority over varsity intercollegiate athletics shall not:
26	(1) Prevent a student-athlete from receiving compensation for
27	the commercial use of the student-athlete's publicity rights under this
28	subchapter;
29	(2) Penalize a student-athlete for receiving compensation for
30	the commercial use of the student-athlete's publicity rights under this
31	subchapter unless expressly agreed by an institution of higher education as a
32	condition of athletic association or conference membership or as otherwise
33	provided by applicable federal law; or
34	(3) Prevent an institution of higher education from
35	participating in varsity intercollegiate athletics, or otherwise penalize an
36	institution of higher education, as a result of a student-athlete's receipt

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1	of compensation under this subchapter <u>unless expressly agreed by an</u>
2	institution of higher education as a condition of athletic association or
3	conference membership or as otherwise provided by applicable federal law.
4	(e) Income received by a student-athlete from an institution of higher
5	education as compensation for the use of his or her name, image, or likeness
6	or as a percentage of institutional athletic revenue permitted by the
7	institution of higher education's governing athletic association or
8	conference under this subchapter is exempt from state income tax.
9	(f) Personal or financial information of a student-athlete contained
10	in an agreement authorized under this subchapter is confidential and not
11	subject to disclosure under the Freedom of Information Act of 1967, § 25-19-
12	<u>101 et seq.</u>
13	
14	4-75-1304. Conflicts.
15	(a) A third-party licensee or student-athlete shall not enter into a
16	contract for the commercial use of the student-athlete's publicity rights if
17	the contract:
18	(1) Requires the student-athlete to endorse, use, solicit, sell,
19	market, advertise, promote, refer to, mention, display, or otherwise promote
20	the name, image, logo, product, service, purpose, campaign, business, digital
21	or physical address, or location of any third-party licensee or commercial
22	entity during a varsity intercollegiate athletic practice, competition, or
23	other activity without the written authorization from the student-athlete's
24	committed or enrolled institution of higher education;
25	(2) Conflicts with a term or condition of a contract, policy,
26	rule, regulation, or standard of the student-athlete's committed or enrolled
27	institution of higher education; or
28	(3) Involves the student-athlete's performance or lack of
29	performance in athletic competition without the written authorization from
30	the student-athlete's committed or enrolled institution of higher education.
31	(b) A contract in violation of this subchapter is void and
32	unenforceable.
33	
34	4-75-1305. Representation.
35	(a) An agent, athlete agent, financial advisor, or attorney who is
36	providing professional representation of a student-athlete shall be licensed,

l 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.

9 (e) A student-athlete may rescind a publicity rights contract with a 10 third-party licensee or a contract for professional representation related to 11 publicity rights without being held liable for breach of contract and with no 12 obligation to return payments received before giving notice of rescission if 13 the student-athlete:

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

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

19

SECTION 2. Arkansas Code § 4-75-1307(a)(5), concerning that the Arkansas Student-Athlete Publicity Rights Act does not render a studentathlete 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.

27 (B) A student-athlete has not been and shall not be considered an employee of an institution of higher education, a conference, 28 29 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 30 student-athlete's receipt of compensation or of any payments or benefits, 31 32 other than payment of hourly wages and benefits for work actually performed and not for participation in intercollegiate athletics, at a rate 33 34 commensurate with the applicable rate in the locality of the institution of higher education for similar work or any of the following: 35 36 (i) Participation in intercollegiate athletic

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1	<pre>competition;</pre>
2	(ii) Membership on any varsity sports team; or
3	(iii) Imposition of requirements, controls or
4	restrictions on student-athletes by institutions of higher education, in
5	connection with participation in intercollegiate athletic activities,
6	practices, and competition.
7	
8	SECTION 3. Arkansas Code § 4-75-1307, concerning the scope of
9	the Arkansas Student-Athlete Publicity Rights Act, is amended to add an
10	additional subsection to read as follows:
11	(c) Notwithstanding any provision of state law to the contrary, the
12	release of or license to use purported name, image, and likeness rights or a
13	name, image, and likeness agreement shall not be required from or with any
14	individual or group of participants in a sports game, contest, or event or
15	spectators at a sports game, contest, or event for audiovisual, audio, or
16	visual broadcasts, rebroadcasts, or other distributions of the sports game,
17	contest, or event.
18	
19	SECTION 4. Arkansas Code § 4-75-1308(d), concerning liability under
20	the Arkansas Student-Athlete Publicity Rights Act, is amended to read as
21	follows:
22	(d) An institution of higher education, <u>located within this state or</u>
23	its employees, a supporting foundation or authorized entity, an athletic
24	association, a conference, or other organization with authority over varsity
25	intercollegiate athletics located within this state, including athletics
26	coaching staff, shall not be liable for any damages related to an <u>subject to</u>
27	liability to a person or an entity as a result of:
28	(1) An intercollegiate student-athlete's ability or inability to
29	earn compensation for the use of the student-athlete's name, image, or
30	likeness resulting from decisions and actions routinely taken within the
31	course of their employment in <u>related to</u> intercollegiate athletics <u>;</u>
32	(2) The adoption of, agreement to, enforcement of, or compliance
33	with any rule or bylaw of an association or conference that does not violate
34	this subchapter limiting or prohibiting a student-athlete from receiving
35	compensation from an association, conference, institution, or other person or
36	entity;

1	(3) Restricting or curtailing the eligibility for an
2	intercollegiate athletics competition of a student-athlete who violates this
3	subchapter or a rule of the institution of higher education, association, or
4	conference implementing the requirements of this subchapter; or
5	(4) Complying with an agreement, understanding, rule, or bylaw
6	adopted by an institution of higher education, conference, or association or
7	a combination of conferences or institutions of higher education that is
8	otherwise reasonably contemplated under this subchapter.
9	
10	SECTION 5. Arkansas Code § 4-75-1308, concerning the civil remedies
11	available under the Arkansas Student-Athlete Publicity Rights Act, is amended
12	to add an additional subsection to read as follows:
13	(e) This subchapter does not waive any immunity or statutory
14	protection available to or constitutional autonomy of an institution of
15	higher education located within the state or an officer, agent, or employee
16	of the institution of higher education.
17	
18	SECTION 6. Arkansas Code § 6-62-803 is amended to read as follows:
19	6-62-803. Limits on funding.
20	(a) For the certification required under § 6-62-805, the amount
21	allowed to be budgeted of unrestricted educational and general funds for
22	intercollegiate athletic programs at <u>a</u> state-supported institutions
23	<u>institution</u> of higher education shall be limited to an amount established :
24	(1) Established by the Division of Higher Education for the
25	fiscal year 2012-2013 <u>;</u> or an
26	(2) An amount of not more than two percent (2%) four percent
27	(4%) of the actual total unrestricted educational and general revenues of the
28	previous fiscal year at institutions <u>the state-supported institution</u> of
29	higher education.
30	(b) The division shall annually adjust the allowable transfer based
31	upon the Consumer Price Index.
32	(c) This section shall not apply to expenditures:
33	(1) An expenditure related to compliance with § 6-60-111 or
34	increased compliance under 20 U.S.C. § 1092(f) , nor the ;
35	(2) The transfer of funds necessary to support women's athletic
36	programs <u>; or</u>

1	(3) The transfer of funds necessary to:
2	(A) Comply with federal regulations affecting athletics
3	programs; or
4	(B) Make up shortfalls in anticipated revenues due to
5	third-party litigation settlements affecting athletics programs.
6	
7	SECTION 7. EFFECTIVE DATE. Arkansas Code § 4-75-1303(e) of Section 1
8	of this act is effective for tax years beginning on or after January 1, 2025.
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11	APPROVED: 4/17/25
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