

## Michigan Legislature Paves Way for College Athletes to Get Paid for Use of Their Name or Likeness

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On December 16, 2020, the Michigan Senate passed bills designed to allow college athletes to receive compensation for the use of their names, images, or likeness rights. **House Bill 5217** would make it unlawful for colleges or organizations like the National Collegiate Athletic Association ("NCAA") to prevent student-athletes from earning compensation from the use of their names or likenesses. Under the law, colleges and athletic associations would not be allowed to buy those rights from prospective athletes. The law would also allow students to contract with agents for purposes of receiving such compensation and would prevent colleges and athletic associations from interfering with the use of such agents.

The legislation contains several provisions apparently designed to protect schools. Those include prohibitions on the NCAA sanctioning schools for allowing their students to receive compensation for the use of their likenesses, as well as prohibitions on students entering into apparel contracts that conflict with their schools' team contracts.

The bill, which passed in the Michigan House of Representatives in May, has now received overwhelming support in the Michigan Senate, and is expected to be signed by Michigan Gov. Gretchen Whitmer. If enacted as drafted, the law will take effect on December 31, 2022. California, Florida and Colorado have already enacted similar legislation.

This legislation will create legal issues with which higher education institutions will need to grapple. If you have questions about how this legislation may affect you or your institution, please contact your Miller Canfield attorney.