

College Athletics Reform Act

Section-by-Section Summary

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Section 1. Short Title

This section sets out the short title of the bill: the “College Athletics Reform Act”.

Sec. 2. Definitions

This section provides definitions for a number of terms, including agent, antitrust laws, college athlete, compensation, conference, image, institution, intercollegiate athletic association (IAA), intercollegiate athletic competition, intercollegiate athletics, intercollegiate sports team, likeness, name, NIL agreement, Power Four, professional representation, and State.

Sec. 3. College Athlete’s Name, Image, and Likeness Rights

This section establishes unrestricted NIL rights for college athletes, provides for enforcement through the Federal Trade Commission (FTC), state attorneys general, and a private right of action, and preempts conflicting state laws.

- Right to receive compensation and representation: An IAA, conference, or institution is prohibited from restricting a college athlete from receiving compensation for the use of their NIL. They are also prohibited from taking adverse action against an athlete who receives NIL compensation or obtains professional representation.
- Right to privacy: IAAs, conferences, or institutions cannot require a college athlete to disclose the terms of an NIL agreement. If an athlete voluntarily discloses the terms, the entity receiving the information cannot release it to a third party without the athlete's express written consent.
- Right to transparent agreements: Any NIL agreement providing compensation greater than \$600 can be voided by an athlete if it is not in writing and does not contain specified provisions, including descriptions of services, compensation amount, termination clauses, and the athlete's signature (or parent/guardian if under 18). The agreement must include a provision allowing the athlete to terminate the agreement immediately after they are no longer enrolled at any institution.
- International college athletes: This subsection amends the Immigration and Nationality Act to establish a new nonimmigrant F visa category for international college athletes and guarantees that they can receive compensation for their NIL without violating their visa.
- Enforcement: This subsection stipulates governmental enforcement through the Federal Trade Commission (FTC) and state attorneys general. Additionally, it includes a private right of action for college athletes to bring a civil action against an IAA, conference, or institution for relief, including damages, restitution, and attorney’s fees.

- Preemption: This subsection preempts any state law that conflicts with its provisions. However, it explicitly provides that a state may enact a law, rule, or regulation that grants more expansive rights to college athletes.

Sec. 4. Regulating Sports Agents

This section amends the Sports Agent Responsibility and Trust Act (SPARTA) to regulate college athlete's sports agents.

- Fee Cap: It makes it unlawful for an athlete agent to charge a college athlete a fee for an endorsement contract that is greater than 4 percent of the compensation provided to the college athlete under that contract.
- Contract Termination: It requires an agency contract to include a provision allowing the college athlete to terminate the contract starting immediately after they are no longer enrolled at any institution.
- Registration Requirement: It requires agents to register with a state and furnish their registration to an athletic association.
- FTC Study: It requires the FTC to conduct a study to analyze the impact of establishing an independently administered program to develop standards, certify compliance, and otherwise regulate agents who enter into agreements with college athletes.

Sec. 5. Establishment of Commission

This section establishes the Commission to Stabilize College Sports in the legislative branch.

- Membership: The Commission consists of 16 members appointed by Congressional Committee leaders (Senate Commerce, House Energy & Commerce, Senate Health, Education, Labor, and Pensions (HELP), and House Education & the Workforce), with expertise required in areas such as college athletics, Title IX enforcement, employment and labor issues (including collective bargaining), civil rights, and smaller schools (especially historically black colleges and universities (HBCUs)). Not less than eight members must be current or former college athletes, and not more than eight members may be affiliated with the Power Four conferences.
- Duties: The Commission is tasked with conducting a study on matters related to the governance of college athletics. The study must examine the roles of various governing entities like IAAs and conferences; collective bargaining between athletes and IAAs, conferences, and institutions, covering subjects like revenue sharing, transfer portal, health/safety, and eligibility, with and without congressional intervention; and the effects of chartering a new, independent governing body (similar to the United States Olympic & Paralympic Committee). The study must also examine the state of Title IX, especially enforcement by the Department of Education and the statute's impact on direct compensation of athletes through revenue sharing and other issues related to NIL. Finally, the Commission must investigate how to allocate new revenue generated by amendments to the Sports Broadcasting Act in ways that protect and expand opportunities in women's

and nonrevenue sports and support athletic programs at smaller schools, especially HBCUs.

- Report: The Commission must submit a report with its findings and legislative recommendations to Congress not later than 2 years after a majority of its members are appointed.

Sec. 6. Amending the Sports Broadcasting Act

This section amends the Sports Broadcasting Act of 1961. It provides an antitrust exemption for joint agreements among institutions engaged in intercollegiate athletics, allowing an IAA to sell or otherwise transfer all or any part of the rights of its member institutions in the sponsored telecasting of competitions. For an IAA to qualify for this exemption, it must consist of 136 or more member institutions, safeguarding against abuse by the Power Four.

Sec. 7. Expanding Athletics Disclosure Requirements

This section amends the Higher Education Act of 1965 to expand disclosure requirements for institutions, improving transparency and accountability.

- Revenue Sharing: Requires reporting on the total amount of revenues shared directly with athletes, disaggregated by men's and women's teams.
- Program Scope: Reporting must include collegiate (including intramural and club-level) and intercollegiate athletic programs.
- Scholarship Data: Requires reporting on athletically related student aid, disaggregated by each men's sport and women's sport.
- Coaching Compensation: Requires that compensation, bonuses, benefits, and buyouts paid to head and assistant coaches (reportable by the institution) are included in the reporting data.
- Revenue and Expense Data: Requires reporting of total revenues and expenses derived from collegiate and intercollegiate athletics activities, disaggregated by each men's sport and women's sport. Revenue categories must include media rights revenues, advertising, and (to the extent practicable) student activities fees and alumni contributions.
- Title IX Compliance: Requires an identification, description, and demonstration of which prong of the "three-part test" for Title IX compliance, as published by the Department of Education in its regulations, an institution asserts that it satisfies with respect to its athletic programs.