



SENATE BILL 229: Authorize NIL Agency Contracts.

This Bill Analysis
reflects the contents
of the bill as it was
presented in
committee.

2025-2026 General Assembly

Committee:	Senate Judiciary. If favorable, re-refer to Rules and Operations of the Senate	Date:	April 30, 2025
Introduced by:	Sens. Galey, Brinson, Corbin	Prepared by:	Robert Ryan
Analysis of:	First Edition		Committee Counsel

OVERVIEW: Senate Bill 229 would make the following changes:

- Allow student athletes to enter contracts with agents for representation related to negotiating contracts for the use of the athlete's name, image, and likeness.
- Create a public records exception for student-athlete name, image, and likeness contracts possessed by public institutions of higher education for the purpose of reviewing compliance with laws or policies.

PART I. AUTHORIZATION FOR NAME, IMAGE, AND LIKENESS (NIL) AGENCY CONTRACTS

CURRENT LAW: The activities of athlete agents who represent student-athletes in negotiating professional sports services contracts or endorsement contracts are regulated by the Secretary of State under the Uniform Athlete Agents Act (UAAA), Article 9 of Chapter 78C of the General Statutes. Endorsement contracts are agreements where a student-athlete receives consideration for use of any value the student-athlete may have because of publicity, reputation, following, or fame obtained because of athletic ability or performance.

The UAAA requires athlete agents to register with the Secretary of State and meet certain requirements. The UAAA prohibits, with some exceptions, an individual from acting as an athlete agent without registration. It also requires agreements between the athlete agent and student-athlete, called agency contracts, to be in writing and include certain terms of the contract. These terms include a warning to the student-athlete that signing the contract will cause the student to lose eligibility in the sport, that the contract must be reported to the student's athletic director, and that the student has the option to cancel the contract within 14 days. The athlete agent is required to report the agency contract to the athletic director.

BILL ANALYSIS:

Senate Bill 229 would modify the UAAA to allow student-athletes to use registered agents for the purpose of representation in name, image and likeness contracts (NIL contracts).

NIL contracts would be defined as contracts between the student-athlete and another entity where the student-athlete receives consideration in exchange for use of the student-athlete's name, image, or likeness. A student-athlete would be authorized to enter a contract, called an NIL agency contract, with a registered athlete agent to negotiate the NIL contracts. Those contracts would contain a warning to student-athletes to consult with the institution of higher education to ensure that students would not lose eligibility if the contract conflicted with State law or the institution's policies. The NIL agency contract could be cancelled by the student within 14 days.

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These contracts would be distinguished from professional-sports-services-agency-contacts, where an athlete entering into an agreement to negotiate a professional sports contract would lead to the loss of amateur status.

Senate Bill 229 would also prohibit athlete agents from entering into NIL agency contracts with student-athletes enrolled in an educational institution that employs or contracts with the agent currently or within the prior two years and would void any NIL agency contract made between the agent and a student-athlete who enrolls in the educational institution.

This section would be effective when it becomes law and apply to NIL agency contracts entered on or after that date.

PART II: PUBLIC RECORDS EXEMPTION FOR CERTAIN NAME, IMAGE, AND LIKENESS CONTRACTS

CURRENT LAW: Chapter 132 of the General Statutes requires, with some exceptions, that records held by the State and local governments are public and that copies must be provided to individuals upon request. Exceptions are provided for confidential information, including records that may contain certain information about individuals.

BILL ANALYSIS: Senate Bill 229 would create a new public records exception for constituent institutions of The University of North Carolina and community colleges (institutions of higher education) that would exempt any records related to a student-athlete's NIL contract with a third party that the institution of higher education possesses for the purpose of reviewing for compliance with law and policy.

This section would be effective when it becomes law and would apply retroactively to all student NIL contract records possessed by an institution of higher education.

EFFECTIVE DATE: Except as otherwise provided, the bill would be effective when it becomes law.

**Samantha Yarborough, Staff Attorney with LAD, substantially contributed to this summary.*