

Legislation Text

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Amending The Philadelphia Code to add a new Chapter 21-3400, entitled “Youth Name, Image, and Likeness Protection,” to establish provisions related to education and counseling for certain Philadelphia youth and their families who are considering licensing publicity rights, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Title 21 of The Philadelphia Code is hereby amended to read as follows:

TITLE 21. MISCELLANEOUS

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CHAPTER 21-3400. YOUTH NAME, IMAGE, AND LIKENESS PROTECTION

§ 21-3401. Definitions.

(1) Covered Student. Any Philadelphia resident attending high school at a covered school entity who is engaged in competitive sports or related activities and whose household has an annual adjusted gross income of \$150,000 or less.

(2) Covered School Entity. A school wherein a resident of the Commonwealth of Pennsylvania may legally fulfill the compulsory school attendance requirements of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949.

(3) Name, Image, and Likeness (“NIL”) Deal. A contract or similar arrangement between a covered student and an individual or entity pursuant to which the individual or entity licenses the publicity rights of the student, including the right to use the name, image or likeness of the student for commercial purposes.

(4) National Letter of Intent (“NLI”). An agreement pursuant to which a covered student agrees to attend a college or university and that college or university agrees to provide athletic financial aid through a program administered by the National Collegiate Athletic Association.

(5) NLI Program. A program administered by the National Collegiate Athletic Association pursuant to which participating colleges and universities and their prospective student-athletes use the NLI and agree to abide by specific rules and guidelines governing attendance, athletic participation, and athletic financial aid.

(6) Managing Director. The Managing Director or such other City department or office as designated by the Mayor.

§ 21-3402. Education and Representation Related to NIL Deals and NLI Offers.

(1) Legal and Financial Representation of Students. The Managing Director shall establish a program for the family of a Covered Student to access a maximum of five billable hours of legal and financial representation to assist in evaluating any NIL Deal or NLI the Covered Student has received or is likely to receive.

(2) Education. The Managing Director shall develop educational materials that are graphically rich and written in easily understood language providing the following information about NIL Deals and the NLI Program

- (a) Data about NIL Deals, including the frequency for which they are offered in connection with a given sport.*
- (b) The benefits and risks of NIL Deals.*
- (c) Information about what the most common kinds of NIL Deals entail.*
- (d) Links to internet resources for deeper discussion and understanding.*
- (e) Information about the college recruiting process for high school students engaged in competitive sports or related activities, including when the process may begin, when the process must stop, and how the NLI Program impacts the timing.*
- (f) Information about the NLI Program, including opportunities available for receiving athletic financial aid for attending a college or university and participating in intercollegiate sports or related activities.*
- (g) Information about NCAA bylaws and rules that govern the recruiting process and the activity restrictions and limitations applicable to covered students, colleges, and universities during the recruiting process.*
- (h) Such other information as the City determines is appropriate or helpful.*

§ 21-3403. Implementation and Reporting.

(1) The Managing Director shall take such steps as the Managing Director determines are appropriate to distribute the educational materials developed in subsection 21-3402(2) on at least an annual basis to all Covered Students, provided that the first set of educational materials shall be distributed no later than August 31, 2024.

(2) The representation and education as set forth in Section 21-3402 shall be phased in according to such timeline as the Managing Director may determine, with the support of such third-party entities as the Managing Director may identify, and shall be effective only at such time, and in such years, as the Finance Director certifies that the City is prepared to spend appropriations to fund such representation and education efforts. If projected need for representation to Covered Students exceeds the available funds, the provision of such representation may be prioritized by reasonable standards as provided by regulation.

(3) On August 31 of each year, the Managing Director shall submit a written report to the President and Chief Clerk of Council detailing the number of Covered Students served, the extent of representation performed, metrics evaluating outcomes, as well as a summary of the engagement and education of Covered Students regarding NIL Deals and the NLI Program. The Managing Director shall post this report online.