



November 21, 2022

## Application of Michigan's NIL Law

By: Alexis Smith-Scott, Associate, Business Practice Group

More changes are coming to the NIL laws governing Michigan student-athletes – effective December 31, 2022, [House Bill 5217](#) officially sets parameters for how student-athletes can earn compensation for the use of their name, image, and likeness (“NIL”) in Michigan. Compliance, as we enter this new NIL era, is key. To avoid any institutional conflicts, student-athletes, college and university administrators, and businesses, alike, entering into NIL deals in Michigan must not only ensure the terms of the agreement are compliant with the National Collegiate Athletic Association (“NCAA”) rules and regulations but also with the regulations passed in the State of Michigan.

In order to enter into an NIL agreement that abides by all applicable laws and regulations, student-athletes, college and university administrators, and businesses, alike, need to understand how the various [NIL laws and regulations work together](#). To allow all parties to successfully navigate the new landscape of Michigan NIL deals, having a working-knowledge of the ‘Dos and Don’ts’ of House Bill 5217 is key.

As part of Bodman’s ongoing series about the NCAA NIL regulations, below is an introductory checklist for every Michigan student athlete and NCAA Michigan college or university administrator to consider about Michigan’s new NIL laws when engaging in a NIL deal:

**Colleges and universities** are prohibited from:

- Preventing a student-athlete from competing in intercollegiate athletics because they earned compensation from an NIL deal;
- Preventing a student-athlete from obtaining professional representation;
- Paying a student-athlete compensation directly for the use of their NIL rights;
- Revoking or reducing a student-athlete’s athletic scholarship because they earned compensation from an NIL deal; and
- Entering contracts with sponsors that prevent student-athletes from entering their own, independent NIL deals.

## Student-Athletes are:

- Prohibited from entering NIL deals that would require the student-athlete to advertise for a sponsor or display a sponsor's apparel during official team activities that creates a conflict with a sponsor of the college or university;
- Required to disclose NIL opportunities to designated university officials at least 7 days prior to committing to the opportunity;
- Limited to hiring agents and attorneys licensed by the State of Michigan;
- Not granted any right to use the name, trademark, service marks, logos, symbols, or any other intellectual property of their university, athletic association, conference, or any other organization; and
- Required to follow their university's academic requirements, team rules, and disciplinary standards.

Not sure if [House Bill 5217](#) affects your school? In the state of Michigan, the following NCAA Michigan schools will be affected by Michigan's NIL law as of December 31, 2022:

### D1

Central Michigan University  
University of Detroit Mercy  
Eastern Michigan University  
University of Michigan  
Michigan State University  
Oakland University  
Western Michigan University

### D2

Davenport University  
Ferris State University  
Grand Valley State University  
Hillsdale College  
Lake Superior State University  
Michigan Technological University  
Northern Michigan University  
Northwood University  
Saginaw Valley State University  
Wayne State University

### D3

Adrian College  
Albion College  
Alma College  
Calvin University  
Finlandia University  
Hope College  
Kalamazoo College  
Olivet College

### NAIA

Aquinas College  
Cleary University  
Concordia University, Ann Arbor  
Cornerstone University  
Lawrence Technological University  
Madonna University  
Rochester University  
Siena Heights University  
Spring Arbor University  
University of Michigan–Dearborn

### NJCAA

Alpena Community College  
Bay de Noc Community College  
Delta College  
Glen Oaks Community College  
Gogebic Community College  
Grand Rapids Community College  
Henry Ford College  
Jackson College  
Kalamazoo Valley Community College  
Kellogg Community College  
Kirtland Community College  
Lake Michigan College  
Lansing Community College  
Macomb Community College  
Mid Michigan Community College  
Mott Community College  
Muskegon Community College  
Oakland Community College  
St. Clair County Community College  
Schoolcraft College  
Wayne County Community College District

Michigan college and university administrators, NIL compliance directors and Michigan student-athletes interested in entering NIL deals that protect legal rights and NCAA eligibility should contact Bodman attorneys [Alexis A. Smith-Scott](#), [Alexander J. Burrige](#), [Mary E. Cebula](#), or [Joseph R. Morrison, Jr.](#) Our diverse team has a wide range of legal experience that can help your business engage with student-athletes for marketing opportunities. Bodman cannot respond to your questions or receive information from you without first clearing potential conflicts with other clients.