

16 NCAC 06E .0211 NAME, IMAGE, AND LIKENESS

(a) As used in this Section:

- (1) "Compensation" means anything of value to the student or an immediate family member of the student, including cash, in-kind gifts, discounts, and other tangible benefits.
- (2) "Name, image, or likeness" or "NIL" means the use of a student's name, image, or likeness for commercial purposes and in exchange for compensation to the student or an immediate family member of the student.
- (3) "NIL agreement" means any formal agreement or contract to use a student's name, image, or likeness for commercial purposes and in exchange for compensation to the student or an immediate family member of the student.
- (4) "School administrators" includes the principal and athletic director of the student's school, the local superintendent, the chairperson of the PSU governing body, and the head coach of any sport in which the student participates during the terms of an NIL agreement.

(b) A student participating in interscholastic athletics may enter an NIL agreement subject to the following restrictions:

- (1) The NIL agreement shall not condition the receipt, type, or extent of any compensation on the extent or quality of the student's athletic performance.
- (2) If the student is under 18 years of age, the student's parent or legal guardian shall be a party to the NIL agreement.
- (3) The NIL agreement shall hold the following parties harmless from any liability related to, or arising from the NIL agreement:
 - (A) The governing body of the PSU in which the student is enrolled, as well as its officers and employees.
 - (B) Any administering organization with which the PSU is affiliated, as well as its officers and employees.
 - (C) The State Board of Education and the Department of Public Instruction, as well as their officers and employees.
- (4) The NIL agreement shall otherwise comply with state and federal law.

(c) The student shall disclose the NIL agreement to school administrators in accordance with the following procedures:

- (1) No later than 10 business days prior to the execution of a proposed NIL agreement or an amendment to an existing NIL agreement, the student shall provide a complete and unredacted copy of the proposed NIL agreement or amendment to school administrators.
- (2) No later than five business days after the execution or amendment of the NIL agreement, the student shall provide a complete and unredacted copy of the executed NIL agreement or amendment to school administrators.

(d) No later than 10 business days prior to a student's entry into an NIL agreement, the student shall complete the NIL education course offered by the NFHS. If the student is under 18 years of age, the student's parent or legal guardian shall also complete the course. Those persons required to complete the course shall provide school administrators with a certificate of completion from the NFHS.

(e) A student participating in interscholastic athletics may enter into an NIL agreement to use the student's name, image, or likeness in any of the following ways:

- (1) Public appearances or commercials.
- (2) Autograph signings.
- (3) Athletic camps and clinics.
- (4) Sale of non-fungible tokens ("NFTs").
- (5) Product or service endorsements.
- (6) Promotional activities, including in-person events and social media advertisements.
- (7) Any other commercial activities that are intended to promote a product or service offered by, increase the profits of, or otherwise generate financial benefits for a party to the NIL agreement from the use of the student's name, image, or likeness.

(f) No student engaged in an NIL agreement-related activity shall do any of the following:

- (1) Make any reference to a school, PSU, conference, or administering organization.
- (2) Receive compensation for the use of intellectual property of any school, PSU, conference, administering organization, or the NFHS. Intellectual property includes the name, uniform, mascot, mark, or logo of the entity that owns the intellectual property.

- (3) Appear in the uniform of the student's school or the school's sports team, or otherwise display the intellectual property of any school, PSU, conference, administering organization, or the NFHS.
- (g) No student shall endorse or promote the goods or services of any third-party entity with which the student has entered an NIL agreement during interscholastic athletic competition or other school-based activities or events. This restriction applies to the wearing of apparel displaying the mark, logo, brand, or other identifying insignia of the third-party entity, unless it is part of the standard uniform for the school or sport.
- (h) No student participating in interscholastic athletics shall enter into an NIL agreement or otherwise use the student's name, image, or likeness to promote any of the following:
- (1) An adult establishment, as defined in G.S. 14-202.10(2), or adult entertainment services.
 - (2) Alcohol or alcoholic products.
 - (3) Tobacco, vaping or other electronic smoking devices, or other nicotine products.
 - (4) Cannabis or cannabis products.
 - (5) Controlled substances, as defined in G.S. 90-87(5).
 - (6) Opioids or prescription pharmaceuticals.
 - (7) Weapons, firearms, or ammunition.
 - (8) Casinos or gambling, including sports betting.
 - (9) Activities that would disrupt the operations of a school or PSU.
- (i) The athletic director of a participating school shall submit a current copy of any executed or amended NIL agreement involving a student at the school to any administering organizations of which the student's school is a member within 30 days of the disclosure of the executed or amended NIL agreement by the student. The administering organization shall maintain accurate records of all NIL agreements received and provide a summary report of all NIL agreements to the State Board of Education no later than June 30 of each year.
- (j) No athletic director, coach, other employee of a PSU, representative of an athletic booster club, or representative of an NIL collective shall use the promise of an NIL agreement to recruit a student to attend a specific participating school or participate in a specific sport. No athletic director, coach, other employee of a PSU, representative of an athletic booster club, or representative of an NIL collective shall act as a student's agent or marketing representative or otherwise facilitate an NIL agreement between a student and a third party. If the relevant administering organization finds a violation of this Paragraph by a preponderance of the evidence, the administering organization shall impose penalties consistent with its regulations and with Rule .0209 of this Section.
- (k) This Rule shall apply to any NIL agreement that a student or the student's parent or legal guardian execute during the time the student is enrolled in a PSU, even if the benefits of said agreement do not accrue to the student or an immediate family member of the student until after the student has graduated.

History Note: Authority G.S. 115C-12(12); 115C-12(23); 115C-47(4); 115C-407.50; 115C-407.55; 115C-407.60; 115C-407.65; 116-235(b);
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