

119TH CONGRESS
1ST SESSION

S. 3378

To amend the Internal Revenue Code of 1986 to establish name, image, and likeness investment accounts for student-athletes, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 4, 2025

Mrs. BLACKBURN (for herself and Ms. CANTWELL) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to establish name, image, and likeness investment accounts for student-athletes, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Helping Under-
5 graduate Students Thrive with Long-Term Earnings Act”
6 or the “HUSTLE Act”.

7 **SEC. 2. NIL INVESTMENT ACCOUNTS.**

8 (a) IN GENERAL.—Subchapter F of chapter 1 of the
9 Internal Revenue Code of 1986, as amended by section

1 70204 of Public Law 119–21, is amended by adding at
 2 the end the following new part:

3 **“PART X—NIL INVESTMENT ACCOUNTS**

4 **“SEC. 530B. NIL INVESTMENT ACCOUNTS.**

5 “(a) GENERAL RULE.—An NIL investment account
 6 shall be exempt from taxation under this subtitle. Not-
 7 withstanding the preceding sentence, the NIL investment
 8 account shall be subject to the taxes imposed by section
 9 511 (relating to imposition of tax on unrelated business
 10 income of charitable organizations).

11 “(b) DEFINITIONS AND SPECIAL RULES.—For pur-
 12 poses of this section:

13 “(1) DESIGNATED BENEFICIARY.—The term
 14 ‘designated beneficiary’ means the eligible athlete
 15 who established the NIL investment account and is
 16 the owner of such account.

17 “(2) ELIGIBLE ATHLETE.—

18 “(A) IN GENERAL.—The term ‘eligible ath-
 19 lete’ means an individual who—

20 “(i) is enrolled as a student at a par-
 21 ticipating institution of higher education,
 22 and

23 “(ii) participates in an amateur or
 24 collegiate athletic program.

“(B) SECRETARIAL AUTHORITY.—The Secretary, in consultation with the Secretary of Education, shall have the authority to—

“(i) further define the criteria for participation in an amateur or collegiate athletic program for purposes of subparagraph (A)(ii),

“(ii) establish procedures for verifying an individual’s status as an eligible athlete, and

“(iii) issue guidance regarding the application of the requirements described in subparagraph (A) in cases where an individual’s enrollment or athletic participation status changes during a taxable year.

“(3) PARTICIPATING INSTITUTION OF HIGHER EDUCATION.—

“(A) IN GENERAL.—For purposes of this section, the term ‘participating institution of higher education’ means an institution of higher education which elects (pursuant to subparagraph (B)) to participate under this section and to comply with any requirements applicable to such institution of higher education under this section.

“(B) ELECTION AND REVOCATION.—

“(i) ELECTION.—Any election made by an institution of higher education to participate under this section shall be effective for the academic year with respect to which it is made and for all subsequent academic years and, once made, may be revoked only pursuant to clause (ii).

“(ii) REVOCATION.—A revocation of an election described in clause (i) may be made by an institution of higher education only if—

“(I) such institution of higher education provides notice of such revocation to all eligible athletes enrolled at such institution of higher education, and

“(II) such revocation takes effect no earlier than the first academic year beginning after the date which is 12 months after the date on which the notice described in subclause (I) has been provided.

“(C) INSTITUTION OF HIGHER EDUCATION.—For purposes of this section, the term

1 ‘institution of higher education’ has the same
2 meaning given such term in section 102 of the
3 Higher Education Act of 1965 (20 U.S.C.
4 1002).

5 “(4) NIL INVESTMENT ACCOUNT.—The term
6 ‘NIL investment account’ means a trust created or
7 organized in the United States exclusively for the
8 purpose of receiving contributions of qualified NIL
9 income and providing distributions to the individual
10 who is the designated beneficiary of the trust (and
11 designated as an NIL investment account at the
12 time created or organized), but only if the written
13 governing instrument creating the trust meets the
14 following requirements:

15 “(A) No contribution will be accepted—

16 “(i) unless it is in cash and is made
17 by an eligible athlete from qualified NIL
18 income, or

19 “(ii) except in the case of rollover con-
20 tributions, if such contribution would not
21 be permitted under paragraph (6).

22 “(B) The trustee is a bank (as defined in
23 section 408(n)) or another person who dem-
24 onstrates to the satisfaction of the Secretary
25 that the manner in which that person will ad-

1 minister the trust will be consistent with the re-
 2 quirements of this section.

3 “(C) No part of the trust assets will be in-
 4 vested in life insurance contracts.

5 “(D) The assets of the trust shall not be
 6 commingled with other property except in a
 7 common trust fund or common investment
 8 fund.

9 “(5) QUALIFIED NIL INCOME.—The term
 10 ‘qualified NIL income’ means any income received
 11 by an eligible athlete that is derived from the use of
 12 such athlete’s name, image, or likeness, including
 13 endorsements, appearances, social media content
 14 creation, and licensing arrangements.

15 “(6) CONTRIBUTION LIMITATIONS.—No con-
 16 tribution will be accepted to an NIL investment ac-
 17 count for any eligible athlete—

18 “(A) which, for any taxable year, is in ex-
 19 cess of the dollar amount determined under sec-
 20 tion 2503(b) for the calendar year in which
 21 such taxable year began, and

22 “(B) after the end of the fifth taxable year
 23 in which such athlete—

24 “(i) has received qualified NIL in-
 25 come, and

1 “(ii) was enrolled at a participating
2 institution of higher education.

3 “(7) TREATMENT OF CONTRIBUTIONS.—With
4 respect to any qualified NIL income received by an
5 eligible athlete which is contributed to an NIL in-
6 vestment account, at the election of such eligible
7 athlete, gross income shall not include such qualified
8 NIL income.

9 “(8) TREATMENT OF SELF-EMPLOYMENT
10 TAXES.—

11 “(A) IN GENERAL.—For purposes of chap-
12 ter 2 (relating to tax on self-employment in-
13 come), any qualified NIL income contributed to
14 an NIL investment account for which an elec-
15 tion has been made pursuant to paragraph (7)
16 shall not be taken into account as net earnings
17 from self-employment (within the meaning of
18 section 1402(a)) for the taxable year of con-
19 tribution.

20 “(B) DISTRIBUTIONS.—Any distribution
21 from an NIL investment account that is includ-
22 ible in gross income under subsection (c)(1)
23 shall be treated as net earnings from self-em-
24 ployment (within the meaning of section

1 1402(a)) for purposes of chapter 2 in the tax-
2 able year of distribution.

3 “(9) LIMITATIONS.—Rules similar to the rules
4 of paragraphs (4) and (5) of section 529(b) shall
5 apply for purposes of this section.

6 “(c) TAX TREATMENT OF DISTRIBUTIONS.—

7 “(1) IN GENERAL.—Any distribution from an
8 NIL investment account shall be includible in the
9 gross income of the distributee in the manner as
10 provided under section 72 to the extent not excluded
11 from gross income under any other provision of this
12 chapter.

13 “(2) TAX TREATMENT OF DISTRIBUTIONS.—

14 “(A) IN GENERAL.—For purposes of ap-
15 plying paragraph (1), a distribution shall be
16 treated as—

17 “(i) includible in gross income and
18 taxed as ordinary income if made before
19 the date on which the designated bene-
20 ficiary—

21 “(I) graduates from a partici-
22 pating institution of higher education
23 (as provided in subparagraph (D)), or

24 “(II) transfers from a partici-
25 pating institution of higher education

1 to a non-participating institution of
 2 higher education (as provided in sub-
 3 paragraph (E)), and

4 “(ii) includible in gross income and
 5 taxed at the rate applicable to long-term
 6 capital gains under section 1(h) if made on
 7 or after the date on which the designated
 8 beneficiary—

9 “(I) graduates from a partici-
 10 pating institution of higher education
 11 (as provided in subparagraph (D)), or

12 “(II) transfers from a partici-
 13 pating institution of higher education
 14 to a non-participating institution of
 15 higher education (as provided in sub-
 16 paragraph (E)),

17 but, for purposes of clause (ii), only to the ex-
 18 tent that such distribution does not exceed the
 19 limitation described in subparagraph (B) for
 20 the taxable year.

21 “(B) LIMITATION ON PREFERENTIAL TAX
 22 TREATMENT.—

23 “(i) IN GENERAL.—The amount of
 24 distributions from an NIL investment ac-
 25 count that may be taxed at the rate appli-

1 cable to long-term capital gain under sub-
 2 paragraph (A)(ii) during any taxable year
 3 shall not exceed the amount described
 4 under section 1(h)(1)(B)(i) for an indi-
 5 vidual described in section 1(c).

6 “(ii) EXCESS AMOUNTS.—Any dis-
 7 tribution exceeding the limitation under
 8 clause (i) shall be includible in gross in-
 9 come, taxed as ordinary income, and (ex-
 10 cept in the case of a qualified distribution
 11 described in paragraph (3)(B)) subject to
 12 the additional tax under paragraph (3)(A).

13 “(C) STUDENT TRANSFERS BETWEEN IN-
 14 STITUTIONS.—

15 “(i) IN GENERAL.—In the case of a
 16 designated beneficiary who transfers from
 17 one participating institution of higher edu-
 18 cation to another participating institution
 19 of higher education (referred to in this
 20 subparagraph as the ‘subsequent institu-
 21 tion’), the graduation date for purposes of
 22 this section shall be the date on which the
 23 designated beneficiary graduates from the
 24 subsequent institution.

1 “(ii) NOTIFICATION REQUIREMENT.—

2 A designated beneficiary who transfers to
 3 a subsequent institution shall notify the
 4 trustee of the NIL investment account of
 5 such transfer within 60 days of enrollment
 6 at the subsequent institution. The subse-
 7 quent institution shall, upon the request of
 8 the designated beneficiary, confirm such
 9 enrollment to the trustee of the NIL in-
 10 vestment account.

11 “(iii) MULTIPLE TRANSFERS.—The
 12 rules of this paragraph shall apply to des-
 13 ignated beneficiaries who transfer between
 14 multiple participating institutions of higher
 15 education, with each subsequent institution
 16 being treated as the relevant institution for
 17 purposes of determining the graduation
 18 date.

19 “(D) CERTIFICATION OF GRADUATION.—

20 The participating institution of higher edu-
 21 cation from which the designated beneficiary
 22 graduates shall transmit documentation of the
 23 designated beneficiary’s graduation directly to
 24 the trustee of the NIL investment account. The

1 Secretary shall prescribe the form and manner
2 of such certification.

3 “(E) TRANSFER TO NON-PARTICIPATING
4 INSTITUTION OF HIGHER EDUCATION.—In the
5 case of a designated beneficiary who transfers
6 from a participating institution of higher edu-
7 cation to a non-participating institution of high-
8 er education, the participating institution of
9 higher education shall notify the trustee of the
10 NIL investment account of such transfer.

11 “(3) ADDITIONAL TAX FOR DISTRIBUTIONS NOT
12 USED FOR QUALIFIED EXPENSES.—

13 “(A) IN GENERAL.—The tax imposed by
14 this chapter for any taxable year on any tax-
15 payer who receives a distribution from an NIL
16 investment account—

17 “(i) before the date on which the des-
18 ignated beneficiary graduates from an in-
19 stitution of higher education (as provided
20 in paragraph (2)(D)), or

21 “(ii) in the case of a distribution de-
22 scribed in paragraph (2)(A)(ii), which is in
23 excess of the limitation under paragraph
24 (2)(B)(i),

1 shall be increased by 10 percent of the amount
 2 which is includible in gross income, unless such
 3 distribution is a qualified distribution.

4 “(B) QUALIFIED DISTRIBUTIONS.—For
 5 purposes of subparagraph (A), a distribution
 6 shall be treated as a qualified distribution if—

7 “(i) the distribution is made to a ben-
 8 eficiary (or to the estate of the designated
 9 beneficiary) on or after the death of the
 10 designated beneficiary,

11 “(ii) the distribution is attributable to
 12 the designated beneficiary’s being disabled
 13 (within the meaning of section 72(m)(7)),

14 “(iii) the distribution is used for
 15 qualified expenses of the designated bene-
 16 ficiary, or

17 “(iv) the distribution is part of a roll-
 18 over contribution described in paragraph
 19 (4).

20 “(C) QUALIFIED EXPENSES.—For pur-
 21 poses of subparagraph (B)(iii), the term ‘quali-
 22 fied expenses’ means expenses incurred by the
 23 designated beneficiary for any of the following:

24 “(i) Career transition costs, includ-
 25 ing—

1 “(I) professional training, certifi-
2 cation, or education costs,

3 “(II) moving expenses (as de-
4 fined in section 217(b)) related to
5 post-athletic career opportunities, or

6 “(III) professional services re-
7 lated to career planning and develop-
8 ment.

9 “(ii) Qualified higher education ex-
10 penses (as defined in section 529(e)(3)) of
11 the designated beneficiary.

12 “(iii) Qualified medical expenses (as
13 defined in section 213(d)) of the des-
14 ignated beneficiary to the extent such ex-
15 penses exceed 7.5 percent of the des-
16 ignated beneficiary’s adjusted gross income
17 for the taxable year in which such expenses
18 are incurred.

19 “(iv) Such other purposes as are de-
20 termined appropriate by the Secretary.

21 “(D) CONTRIBUTIONS RETURNED BEFORE
22 CERTAIN DATE.—Subparagraph (A) shall not
23 apply to the distribution of any contribution
24 made during a taxable year if—

1 “(i) such distribution is received on or
 2 before the day prescribed by law (including
 3 extensions of time) for filing such des-
 4 ignated beneficiary’s return for such tax-
 5 able year, and

6 “(ii) such distribution is accompanied
 7 by the amount of net income attributable
 8 to such excess contribution.

9 In the case of such a distribution, for purposes
 10 of section 61, any net income described in
 11 clause (ii) shall be included in gross income for
 12 the taxable year in which such excess contribu-
 13 tion was made.

14 “(4) CHANGE IN BENEFICIARIES OR PRO-
 15 GRAMS.—

16 “(A) ROLLOVERS.—Paragraph (1) shall
 17 not apply to that portion of any distribution
 18 from an NIL investment account which, within
 19 60 days of such distribution, is transferred into
 20 another NIL investment account for the benefit
 21 of—

22 “(i) the designated beneficiary, or

23 “(ii) an eligible athlete who is a mem-
 24 ber of the family of such beneficiary.

1 “(B) CHANGE IN DESIGNATED BENE-
 2 FICIARIES.—Any change in the designated ben-
 3 eficiary of an NIL investment account shall not
 4 be treated as a distribution for purposes of
 5 paragraph (1) if the new beneficiary is—

6 “(i) an eligible athlete for such tax-
 7 able year, and

8 “(ii) a member of the family of the
 9 former beneficiary.

10 “(C) LIMITATION ON CERTAIN ROLL-
 11 OVERS.—Subparagraph (A) shall not apply to
 12 any transfer if such transfer occurs within 12
 13 months from the date of a previous transfer to
 14 any NIL investment account for the benefit of
 15 the designated beneficiary.

16 “(5) SPECIAL RULES FOR APPLYING ESTATE
 17 AND GIFT TAXES WITH RESPECT TO ACCOUNT.—
 18 Rules similar to the rules of paragraphs (2), (4),
 19 and (5) of section 529(e) shall apply for purposes of
 20 this section.

21 “(6) MEMBER OF THE FAMILY.—For purposes
 22 of this subsection, the term ‘member of the family’
 23 means, with respect to any designated beneficiary,
 24 an individual who bears a relationship to such bene-
 25 ficiary which is described in section 529(e)(2).

1 “(7) LOSS OF NIL INVESTMENT ACCOUNT
 2 TREATMENT.—If an NIL investment account is es-
 3 tablished for a designated beneficiary, no account
 4 subsequently established for such beneficiary shall be
 5 treated as an NIL investment account. The pre-
 6 ceding sentence shall not apply in the case of an ac-
 7 count established for purposes of a transfer de-
 8 scribed in paragraph (4)(A) if the transferor account
 9 is closed as of the end of the 60-day period referred
 10 to in such paragraph.

11 “(8) TRANSITION TO RETIREMENT AC-
 12 COUNTS.—

13 “(A) IN GENERAL.—Subject to subpara-
 14 graph (C), an individual who has ceased to be
 15 an eligible athlete for at least 1 year may elect
 16 to convert their NIL investment account, in
 17 whole or in part, to—

18 “(i) an individual retirement account
 19 (as defined in section 408(a)),

20 “(ii) a Roth IRA (as defined in sec-
 21 tion 408A(b)), or

22 “(iii) such other retirement arrange-
 23 ments as the Secretary may specify in reg-
 24 ulations.

1 “(B) TAX TREATMENT.—A conversion
2 under subparagraph (A) shall be treated as a
3 rollover contribution for purposes of this title.

4 “(C) LIFETIME LIMITATION.—With re-
5 spect to any individual described in subpara-
6 graph (A), the amount of any conversion of any
7 NIL investment account to any other account
8 or arrangement described in clause (i), (ii), or
9 (iii) of such subparagraph during any taxable
10 year shall not exceed the excess (if any) of
11 \$35,000 over the aggregate amount of any
12 prior conversions under this paragraph with re-
13 spect to such individual for all prior taxable
14 years.

15 “(d) TAX TREATMENT OF ACCOUNTS.—Rules similar
16 to the rules of paragraphs (2) and (4) of section 408(e)
17 shall apply to any NIL investment account.

18 “(e) EDUCATION REQUIREMENTS.—

19 “(1) IN GENERAL.—The trustee of an NIL in-
20 vestment account shall make available to the des-
21 ignated beneficiary educational materials regard-
22 ing—

23 “(A) the benefits and rules of the NIL in-
24 vestment account,

1 “(B) basic principles of investing and fi-
2 nancial planning,

3 “(C) the importance of long-term financial
4 security, and

5 “(D) such other topics as the Secretary
6 may specify in regulations.

7 “(2) DELIVERY OF MATERIALS.—The edu-
8 cational materials required under paragraph (1)
9 shall be provided to a designated beneficiary—

10 “(A) upon the establishment of an NIL in-
11 vestment account, and

12 “(B) on an annual basis thereafter.

13 “(f) REGULATIONS.—The Secretary shall prescribe
14 such regulations as may be necessary to carry out the pur-
15 poses of this section, including regulations—

16 “(1) to enforce the limitation described in sub-
17 section (c)(7),

18 “(2) providing for the information required to
19 be presented to establish an NIL investment ac-
20 count,

21 “(3) to identify additional qualified expenses
22 pursuant to subsection (c)(3)(C)(iv),

23 “(4) to prevent fraud and abuse with respect to
24 amounts claimed as qualified expenses,

1 “(5) to ensure proper reporting and verification
2 of NIL income sources,

3 “(6) to establish procedures for tracking the
4 number of taxable years in which an eligible athlete
5 makes contributions to an NIL investment account,

6 “(7) to establish procedures for determining the
7 annual limit on preferential capital gains treatment
8 under subsection (c)(2)(B),

9 “(8) to establish procedures for the transition
10 of NIL investment accounts to retirement accounts
11 under subsection (c)(8), and

12 “(9) to allow for transfers described in sub-
13 section (c)(4).”.

14 (b) CLERICAL AMENDMENT.—The table of parts for
15 subchapter F of chapter 1 of such Code is amended by
16 adding at the end the following new item:

“PART X—NIL INVESTMENT ACCOUNTS”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to taxable years beginning after
19 December 31, 2025.

20 **SEC. 3. STUDENT ATHLETE SPORTS AGENT REFORM.**

21 (a) IN GENERAL.—The Sports Agent Responsibility
22 and Trust Act (15 U.S.C. 7801 et seq.) is amended—

23 (1) in section 2 (15 U.S.C. 7801)—

24 (A) by amending paragraph (1) to read as
25 follows:

1 “(1) AGENCY CONTRACT.—The term ‘agency
2 contract’ means a written agreement—

3 “(A) in which a student athlete authorizes
4 a person to negotiate or solicit on behalf of the
5 student athlete a professional sports contract or
6 an endorsement contract; and

7 “(B) that—

8 “(i) states the name of each party to
9 the agreement;

10 “(ii) states the term of the agreement;

11 “(iii) states the registration informa-
12 tion for the athlete agent; and

13 “(iv) states the fee or commission
14 charged by the athlete agent.”;

15 (B) by redesignating paragraphs (3)
16 through (9) as paragraphs (5), (7), (9), (11),
17 (12), (13), and (14), respectively;

18 (C) by inserting after paragraph (2) the
19 following:

20 “(3) ATHLETIC ASSOCIATION.—

21 “(A) IN GENERAL.—The term ‘athletic as-
22 sociation’ means any organization or other
23 group organized in the United States that—

24 “(i) has multiple conferences and in-
25 stitutions as members;

1 “(ii) sponsors or arranges college ath-
 2 letic competitions between those institu-
 3 tions;

4 “(iii) sets common rules, standards,
 5 procedures, or guidelines for the adminis-
 6 tration of college athletic competition; and

7 “(iv) is not a conference.

8 “(B) INCLUSIONS.—The term ‘athletic as-
 9 sociation’ includes—

10 “(i) the National Collegiate Athletic
 11 Association; and

12 “(ii) any other national intercollegiate
 13 athletic association.

14 “(4) ATHLETIC DEPARTMENT.—The term ‘ath-
 15 letic department’ means a department at, or a com-
 16 ponent of, an institution responsible for managing
 17 one or more varsity intercollegiate sport programs.”;

18 (D) by inserting after paragraph (5), as
 19 redesignated by subparagraph (B), the fol-
 20 lowing:

21 “(6) COLLEGE ATHLETIC COMPETITION.—The
 22 term ‘college athletic competition’ means any varsity
 23 game, meet, or other competition between or among
 24 athletic teams sponsored by institutions.”;

1 (E) by inserting after paragraph (7), as so
 2 redesignated, the following:

3 “(8) CONFERENCE.—The term ‘conference’
 4 means any organization that is not an athletic asso-
 5 ciation and that—

6 “(A) has 2 or more institutions of higher
 7 education as members; and

8 “(B) arranges championships for college
 9 athletic competition or sets rules for college
 10 athletic competition.”;

11 (F) by inserting after paragraph (9), as so
 12 redesignated, the following:

13 “(10) INSTITUTION.—The term ‘institution’ has
 14 the meaning given the term ‘institution of higher
 15 education’ in section 101 of the Higher Education
 16 Act of 1965 (20 U.S.C. 1001).”; and

17 (G) by adding at the end the following:

18 “(15) VARSITY INTERCOLLEGIATE SPORT.—The
 19 term ‘varsity intercollegiate sport’ means a sport
 20 played at the intercollegiate level, administered by
 21 an athletic department, for which eligibility require-
 22 ments for participation by student athletes are es-
 23 tablished by an athletic association.”;

24 (2) in section 3 (15 U.S.C. 7802)—

25 (A) in subsection (a)—

1 (i) in paragraph (2), by striking “;
2 or” and inserting a semicolon;

3 (ii) in paragraph (3), by striking the
4 period at the end and inserting a semi-
5 colon; and

6 (iii) by adding at the end the fol-
7 lowing:

8 “(4) represent a student athlete for an endorse-
9 ment contract without first entering into an agency
10 contract;

11 “(5) represent a student athlete for an endorse-
12 ment contract without the athlete agent first reg-
13 istering as an agent with a State and certifying to
14 an athletic association governing the intercollegiate
15 sport the student athlete participates in that the
16 athlete agent is registered with a State;

17 “(6) charge a student athlete a fee in connec-
18 tion with an endorsement contract that exceeds 5
19 percent of the value of the endorsement contract;

20 “(7) enter into an agency contract with an ath-
21 lete for a term that extends beyond the eligibility of
22 the student athlete to participate in intercollegiate
23 sport;

24 “(8) entice a student athlete to enroll at an in-
25 stitution, transfer to or from an institution, or de-

1 clare an intent to transfer from an institution by
 2 misrepresenting the existence, nature, or value of a
 3 name, image, or likeness opportunity the athlete
 4 agent can arrange on behalf of the student athlete;
 5 or

6 “(9) make a materially false, misleading, decep-
 7 tive, or fraudulent representation as an athlete agent
 8 or in the application for registration as an athlete
 9 agent.”; and

10 (B) in subsection (b)(3), by striking
 11 “Warning to Student Athlete: If you agree oral-
 12 ly or in writing to be represented by an agent
 13 now or in the future you may lose your eligi-
 14 bility to compete as a student athlete in your
 15 sport.”; and

16 (3) by inserting after section 3 the following:

17 **“SEC. 3A. REGISTRATION AND OTHER REQUIREMENTS OF**
 18 **ATHLETE AGENTS AND ATHLETIC ASSOCIA-**
 19 **TIONS.**

20 “(a) REGISTRATION REQUIREMENT.—Prior to rep-
 21 resenting a student athlete for an endorsement contract,
 22 a prospective athlete agent must register with a State.

23 “(b) REGISTRATION ESTABLISHED.—An individual is
 24 deemed to be registered with a State for purposes of this
 25 section if the individual is—

1 “(1) a registered professional sports agent with
 2 a professional sports league or players association, in
 3 good standing; or

4 “(2) registered and certified under the All State
 5 Uniform Agent Acts in the State in which the agent
 6 operates, in good standing.

7 “(c) AGENT FEE CAP.—Fees charged by an athlete
 8 agent in connection with an endorsement contract entered
 9 into by a student athlete shall not exceed 5 percent of the
 10 value of the endorsement contract.

11 “(d) CERTIFICATION TO ATHLETIC ASSOCIATIONS.—

12 “(1) REQUIREMENT.—An athlete agent that
 13 represents a student athlete participating in an
 14 intercollegiate sport governed by an athletic associa-
 15 tion must certify to the athletic association that the
 16 athlete agent is registered with a State.

17 “(2) PROHIBITION.—It is unlawful for an indi-
 18 vidual to certify to an athletic association that the
 19 individual is an athlete agent if the individual is not
 20 registered with a State.

21 “(e) REQUIREMENTS OF ATHLETIC ASSOCIATIONS.—

22 “(1) SEARCHABLE REGISTRY.—It is unlawful
 23 for an athletic association to operate without main-
 24 taining a publicly available website that includes a
 25 searchable database of athlete agents registered

1 under subsection (a) and certified under subsection
2 (b).

3 “(2) WEBSITE.—An athletic association shall
4 include on a publicly available website a working link
5 to, or information on how to locate, the website of
6 the Commission.”.

7 (b) CLERICAL AMENDMENT.—The table of contents
8 for the Sports Agent Responsibility and Trust Act is
9 amended by inserting after the item relating to section 3
10 the following:

“Sec. 3A. Registration and other requirements of athlete agents and athletic
associations.”.

11 **SEC. 4. PRIVATE RIGHT OF ACTION.**

12 (a) IN GENERAL.—The Sports Agent Responsibility
13 and Trust Act (15 U.S.C. 7801 et seq.) is amended by
14 inserting after section 5 the following:

15 **“SEC. 5A. PRIVATE RIGHT OF ACTION.**

16 “(a) IN GENERAL.—Any current or former student
17 athlete alleging a violation of this Act by an athlete agent
18 (other than a violation of section 6(a)) may bring a civil
19 action against such athlete agent in an appropriate district
20 court of the United States or in an appropriate State
21 court.

22 “(b) RELIEF.—In a civil action brought under sub-
23 section (a) in which the plaintiff prevails, the court may
24 award—

1 “(1) actual damages;

2 “(2) reasonable attorney’s fees and litigation
3 costs; and

4 “(3) injunctive, equitable, or declaratory relief,
5 that the court determines appropriate.

6 “(c) INVALIDITY OF PRE-DISPUTE ARBITRATION
7 AGREEMENTS AND PRE-DISPUTE JOINT ACTION WAIV-
8 ERS.—

9 “(1) IN GENERAL.—Notwithstanding any other
10 provision of law, no pre-dispute arbitration agree-
11 ment or pre-dispute joint action waiver shall be valid
12 or enforceable against a student athlete with respect
13 to a dispute arising under this Act.

14 “(2) APPLICABILITY.—Any determination as to
15 whether or how paragraph (1) applies to any dispute
16 shall be made by a court, rather than an arbitrator,
17 without regard to whether the agreement or waiver
18 that is the subject of the dispute purports to dele-
19 gate such determination to an arbitrator.

20 “(3) DEFINITIONS.—In this subsection:

21 “(A) PRE-DISPUTE ARBITRATION AGREE-
22 MENT.—The term ‘pre-dispute arbitration
23 agreement’ means any agreement to arbitrate a
24 dispute that has not arisen at the time of the
25 making of the agreement.

1 “(B) PRE-DISPUTE JOINT-ACTION WAIV-
 2 ER.—The term ‘pre-dispute joint-action waiver’
 3 means an agreement, whether or not part of a
 4 pre-dispute arbitration agreement, that would
 5 prohibit, or waive the right of, one of the par-
 6 ties to the agreement to participate in a joint,
 7 class, or collective action in a judicial, arbitral,
 8 administrative, or other forum, concerning a
 9 dispute that has not yet arisen at the time of
 10 the making of the agreement.”.

11 (b) CLERICAL AMENDMENT.—The table of contents
 12 for the Sports Agent Responsibility and Trust Act is
 13 amended by inserting after the item relating to section 5
 14 the following:

“Sec. 5A. Private right of action.”.

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