

# NEVADA LEGISLATURE COMMITTEE TO CONDUCT A STUDY CONCERNING THE USE OF THE NAME, IMAGE, AND LIKENESS OF A STUDENT ATHLETE

(Assembly Bill 254 [2021])

#### **MINUTES**

June 23, 2022

The fourth and final meeting of the Committee to Conduct an Interim Study Concerning the Use of the Name, Image, and Likeness of a Student Athlete for the 2021–2022 Interim was held on Thursday, June 23, 2022, at 1 p.m. in Room 4100, Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401, Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada.

The agenda, minutes, meeting materials, and audio or video recording of the meeting are available on the Committee's <u>meeting page</u>. The audio or video recording may also be found at <a href="https://www.leg.state.nv.us/Video/">https://www.leg.state.nv.us/Video/</a>. Copies of the audio or video record can be obtained through the Publications Office of the Legislative Counsel Bureau (LCB) (<a href="mailto:publications@lcb.state.nv.us">publications@lcb.state.nv.us</a> or 775/684-6835).

#### **COMMITTEE MEMBERS PRESENT IN CARSON CITY:**

Assemblyman Cameron (C.H.) Miller, Chair Terina Caserto, Senior Analyst, Academic and Student Affairs Office, Nevada System of Higher Education (NSHE)

#### **COMMITTEE MEMBERS PRESENT IN LAS VEGAS:**

Dexter Irvin, Director of Athletics and Recreation, College of Southern Nevada Eric Nepomuceno, Deputy Athletics Director, Chief Operating Officer, University of Nevada, Las Vegas (UNLV)

# **COMMITTEE MEMBERS ATTENDING VIA REMOTELY:**

Senator Roberta Lange, Vice Chair Katelyn Norris, Student, Freshman, Women's Soccer, Truckee Meadows Community College

# **COMMITTEE MEMBERS ABSENT:**

Linda Garza, Head Softball Coach, University of Nevada, Reno (UNR) (Excused) Devonte Lee, Student, Senior, Football, UNR (Excused)

## **LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:**

Alex Drozdoff, Senior Policy Analyst, Research Division
Jennifer Ruedy, Deputy Research Director, Research Division
Jen Sturm, Senior Policy Analyst, Research Division
Maria Aguayo, Research Policy Assistant, Research Division
Asher Killian, Chief Deputy Legislative Counsel, Legal Division
Jaimarie Mangoba, Principal Program Analyst, Fiscal Analysis Division

Items taken out of sequence during the meeting have been placed in agenda order. [Indicate a summary of comments.]

#### AGENDA ITEM I—OPENING REMARKS

#### Chair Miller:

Welcome to the fourth and final meeting of the Committee to Conduct an Interim Study Concerning the Use of the Name, Image, and Likeness (NIL) of a Student Athlete. We appreciate everyone's participation. I would like to welcome Terina Caserto, Senior Analyst, Academic and Student Affairs Office, NSHE, to the Committee. She was designated by NSHE to represent them, and the Joint Interim Standing Committee on Education (COE) appointed her to serve on this Committee on June 15, 2022. This is officially Ms. Caserto's first meeting as a member.

#### Ms. Caserto:

I am happy to be here. I tuned into the May 26, 2022, Committee meeting and have reviewed all the video and minutes from the prior meetings.

#### Chair Miller:

[Chair Miller discussed meeting guidelines and noted meeting materials have been uploaded to the Committee's meeting page.]

# AGENDA ITEM II—PUBLIC COMMENT

#### Chair Miller:

We will move on to the next agenda item, which is public comment. Since we will be having a work session today, I encourage individuals to address any item in the work session during the first public comment period.

[Chair Miller reviewed public testimony guidelines and procedures.]

[Chair Miller called for public comment; however, no testimony was provided.]

# AGENDA ITEM III—APPROVAL OF THE MINUTES FOR THE MEETINGS ON APRIL 28, 2022, AND MAY 26, 2022

#### Chair Miller:

The next agenda item is the approval of minutes for the meetings on April 28, 2022, and May 26, 2022. The Committee will only be approving the minutes for the April 28, 2022, meeting. The May 26, 2022, minutes are not ready for approval.

VICE CHAIR LANGE MOVED TO APPROVE THE MINUTES FOR THE MEETING ON APRIL 28, 2022.

MR. NEPOMUCENO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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# AGENDA ITEM IV—WORK SESSION—DISCUSSION AND POSSIBLE ACTION ON RECOMMENDATIONS RELATING TO:

#### Chair Miller:

We are going to move on to our work session. Committee, there are five items in the "Work Session Document" (WSD). Staff will guide us through each of them. I will accept a motion to approve an item, and then we can discuss it. The recommendations outlined in the document are not necessarily set in stone. The Committee may amend recommendations prior to the vote. If there are any proposed amendments to the recommendations, please wait until I call on you during the discussion period. Are there any questions before we begin? Seeing none, I will turn things over to Ms. Sturm.

#### Ms. Sturm:

As nonpartisan staff, I can neither support nor oppose any proposal that comes before the Legislature. Everyone should have the WSD (<u>Agenda Item IV</u>) in front of them. There are copies at both locations, and it has been posted as an exhibit to the Committee's <u>meeting page</u>. Members will find it in their packets as well. The WSD was prepared by the Chair and staff of the Committee. The document will assist the Committee in determining which legislative measures and other actions it will request the COE to consider for the 2023 Session of the Nevada Legislature. This WSD contains a summary of recommendations presented during public hearings, through communication with individual Committee members, or correspondence submitted to the Committee members or staff. The proposals listed in the document are organized so that Committee members can review them and decide whether they want to accept, reject, modify, or take no action on the recommendations.

Pursuant to AB 254 (2021), this Committee is tasked with studying and examining existing bylaws of athletic associations and state and federal laws relating to compensating a student athlete for the use of the NIL of the student athlete. The COE is then tasked with submitting a report with the results of the study, including any recommendations for legislation, to the director of the LCB for transmission to the 2023 Session of the Nevada Legislature. As such, following approval by this Committee, certain recommendations will be presented to the COE who may discuss those recommendations during its work session. Committee members are advised that LCB staff, at the direction of the Chair, may coordinate with interested parties to obtain additional information for drafting purposes or for information to be included in the Committee's final report. Unless the Committee members have any questions, I will begin with the first recommendation.

#### Chair Miller:

Are there any questions? Seeing none, you may continue, Ms. Sturm.

#### Ms. Sturm:

I will walk the Committee through the various recommendations, and then the Chair will request the Committee's direction. The recommendations begin on page 2 of the WSD.

#### A. NATIONAL NIL POLICY

Recommendation A-1 focuses on national NIL policy. The recommendation is to send a letter to Nevada's Congressional Delegation on behalf of the Committee encouraging the development of a national uniform policy for NIL. The Committee heard from multiple presenters that without federal legislation, disparity among states' legislation has emerged, which has impacted recruitment and retention efforts. This letter responds to those disparities by encouraging Nevada's Congressional Delegation to create and support a federal policy that outlines specific parameters for NIL deals and policies across all states, including the role that individual institutions should play in monitoring and supporting NIL policies. Further, the letter will include that this national policy should develop a plan for international students to participate in NIL by addressing their visa complications such as the work restrictions in place for F-1 visa status.

#### Chair Miller:

Is there a motion to approve Recommendation A-1?

VICE CHAIR LANGE MOVED TO APPROVE RECOMMENDATION A-1.

MR. IRVIN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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#### Chair Miller:

Please provide the next recommendation, Ms. Sturm.

# B. STUDY CONCERNING NIL POLICIES AND CHALLENGES SPECIFIC TO JUNIOR COLLEGES

# Ms. Sturm:

The next item is Recommendation B-2, which is to send a letter to NSHE on behalf of the COE urging NSHE to conduct a study concerning NIL policies and challenges specific to junior colleges. Specifically, this study should investigate NIL issues relating, but not limited to, resources and personnel at junior colleges and funding opportunities for NIL deals for junior college student athletes. Testimony presented to the Committee indicated that student athlete transfer policies, especially concerning NIL, can be contradictory and difficult between junior colleges and other institutions. As such, the study should also investigate concerns and challenges with student athlete transfers between two- and four-year colleges and universities. The item also outlines reporting recommendations if such a study is conducted.

#### Chair Miller:

I am going to see if we have any questions or comments on this item before we move for a motion.

#### Ms. Caserto:

I would like to make a motion to modify this recommendation and provide a rationale for that.

#### Chair Miller:

Let us hear the rationale before we go to a motion.

#### Ms. Caserto:

I spoke with leadership at the NSHE level regarding this recommendation. It seems most appropriate to urge and request either the National Junior College Athletic Association (NJCAA) or the National Collegiate Athletic Association (NCAA), in conjunction, to conduct a study of this magnitude instead of bringing it to the NSHE level where our resources are more limited. We do not have the scope with such a small system in our state. We only have four two-year institutions, and of those four, only two have athletic programs. Mr. Irvin brought up some good points during the last three meetings. We are sensitive to impacts to our two-year colleges, nationally, with legislation that is happening. We fully support that a study needs to be conducted, but we feel it is most appropriate to urge and encourage the NCAA or the NJCAA to look at this and further their research by putting a committee together for a formal study.

#### Chair Miller:

Is there any other discussion?

#### Mr. Irvin:

I believe the NJCAA will defer that back to the states or to the national policy. They are all hesitant to do anything other than a broad general review because of all the different state policies and laws. I am concerned our recommendation would fall on deaf ears. Even though we only have two junior colleges with athletics, it would be helpful to have some guidance from our own state as to how the junior colleges fit into this relative to our state environment. Last night, I heard about two local high schools that are running tournaments to develop NIL deals for their athletes who have graduated from their schools. They were raising money to provide NIL deals for these high school students that are going to different institutions. It is beginning to permeate way beyond the NCAA level. I am concerned we will not get direction from the NJCAA—similar to what we have experienced with the national office—so we have been looking to the state. I can understand the hesitancy with limited resources and the number of students; however, we only have two Division I institutions in the state, and we have two junior colleges. Maybe we can look at some resources to provide some direction and establish policies for our community and junior colleges in the state.

# Vice Chair Lange:

I agree with Mr. Irvin. Our Committee was tasked with coming up with recommendations through a law passed by the Legislature. The onus is on us to provide a vehicle to make our own decisions about what happens in Nevada. I can appreciate looking at something from a

national level. That is important; however, in all the presentations we have had, the onus has come back to the states. They want the states to make these decisions; it is not going to be a national thing. We must come up with our own guidelines. We have two junior colleges with athletic programs. Let us do the best we can for them by doing a study and establishing guidelines. I would like to keep the language as we have it to create the committee to do the work and have them bring it to the Legislature.

#### Chair Miller:

Would anyone else like to make a comment? I want to remind everyone that this is a recommendation to the COE to send a letter urging or requesting a study. It is not a forced thing; there is still room to work it out. I want to be clear on that.

#### Ms. Caserto:

I want to recognize the comments and concerns of both Vice Chair Lange and Mr. Irvin. What I heard when I listened to the last three meetings was that we need to encourage the national level. We need to push for that. A study at our state level through NSHE is premature. What I heard NJCAA talk about was that we are in the infancy of this. They do not have the recommendations yet. Things are fast-moving; they would be the same challenges we would encounter. Making a recommendation for a comprehensive study such as this is going to fall within the priorities of NSHE. We have some large studies coming forward in the next biennium, so everything will have to be prioritized if we do not send a letter to these national entities to encourage them. Hopefully, we will be able to get other states to do the same.

#### Chair Miller:

I will pose this to the Committee; I think that we can potentially send a letter to both NSHE and the national organizations. If we are on board with that, I would like to take a motion to move forward with that. If that satisfies you, I would take a motion from you, Ms. Caserto.

#### Ms. Caserto:

I will not make that motion.

# Chair Miller:

No problem. Would you like to make that motion Mr. Irvin?

#### Mr. Irvin:

Yes. You suggested that we incorporate both of those concepts in the motion to encourage our state to act as well as the national offices. I am a little cynical. I do not see our national officers responding to this. If we do not respond to that as a state, where do we fall? The junior colleges are going to follow the lead of the NCAA, which has not shown a desire or tendency to have a national policy. I do not see them acting on that. If we send a request for them to do it and nothing happens, what are we left with? How do we get our state to address this? I agree with Ms. Caserto that we do not necessarily need to have a full-blown study only for junior colleges, but we need to find a way to address this within our state. Perhaps it is a broader issue because we have adapted all our athletic policies in the state based upon Division I institutions. I understand why we did that; we did not plan for junior college athletics in Nevada like some other states have done. I think I told you at the first meeting that my contract has the same number of pages as the Division I athletic

directors. Sometimes those things do not quite fit. I do not know if there is another pathway for our state to look at how we address this with junior colleges rather than a full-blown study. If there is, I would be in favor of that. I am not opposed to sending a letter to the national people, but I do not believe they will act on it. You will not see any action. You will get a nice letter back, but we are not going to see anything different.

#### Chair Miller:

I want to remind everyone again, that this is a recommendation to the COE to send a letter to urge some type of study or movement. It could go to one or to both. It may be more robust if we just go ahead and send it to both entities.

#### Vice Chair Lange:

What I am hearing is that NSHE has a very full plate, and this would probably get pushed to the bottom. If that is the case, then I have a question for Ms. Sturm. If this is something NSHE does not feel it can deal with, is there another entity who we could place the study upon?

#### Ms. Sturm:

In that case, a consideration would be to task next interim's COE or another committee to study that topic. I do not know if our Committee's counsel has anything to add to that.

#### Mr. Killian:

Certainly, the Legislature could assign this as a follow-up study to a different interim committee next interim. The recommendation from this Committee could be that the Legislature instead assign this study to other state agency. The Legislature could decide to assign it to NSHE or another entity that might be appropriate. I do not know which other state agencies have the expertise to do this study outside NSHE, but the Legislature would have freedom to assign it to a body of the state government as needed.

#### Vice Chair Lange:

Would it be appropriate for the recommendation to make the assignment more open-ended, so it could include other entities?

#### Chair Miller:

Are you suggesting the recommendation state "to an entity" so the Legislature can assign the study to any state agency?

# Vice Chair Lange:

I would like to have that as an option. It sounds like NSHE's plate is too full to handle this, but it is important that it be done. We have two junior colleges and two four-year colleges with athletic programs, and we are dealing with the same kinds of issues. We need to look at our junior colleges and give them the attention that is needed on this issue. I agree with Mr. Irvin; the issue is expanding, and it is going to be in the high schools before we know it. If you can craft a motion that includes that, I would move that.

## Chair Miller:

We can amend the recommendation so the motion would be to request the COE make the decision on where to place the study. We would recommend that the COE assign the study, if it chooses to have one conducted, to the entity that it deems appropriate. Does that make sense?

#### Vice Chair Lange:

Yes, that makes perfect sense. We have not figured out what the scope of the study is. It may take one or three days, or two hours; we do not know. We are thinking big right now because we know how studies are sometimes; however, it may be small. Giving it to COE would be the appropriate spot.

VICE CHAIR LANGE MOVED TO APPROVE RECOMMENDATION B-2 WITH AMENDED LANGUAGE FOR THE COE TO DETERMINE WHICH ENTITY THE LETTER SHOULD BE SENT TO, URGING THAT ENTITY TO CONDUCT A STUDY CONCERNING NIL POLICIES AND CHALLENGES SPECIFIC TO JUNIOR COLLEGES.

MS. CASERTO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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# C. NIL BEST PRACTICES

#### Ms. Strum:

Recommendation C-3 is to include a list of best NIL practices in the Committee's final report. This list may include, but is not limited to, the following:

- a. Awareness and communication of state and federal NIL parameters for on-campus NIL practitioners, including student athletes, coaches, and institutional personnel, should be increased;
- b. Student athletes may not attend NIL engagements in lieu of academic or athletic activities;
- c. Student athletes must wear and use institutionally issued gear and equipment during athletic activities;
- d. Use of an institution's logos, marks, or facilities for NIL engagements must be approved in writing by an institution;
- e. NIL activities must be consistent with institutional and NSHE policies; the student-athlete handbook; local, state, or federal law; and existing national collegiate athletic association regulations; and
- f. NIL educational supports for student athletes in areas including, but not limited to, financial implications, tax education, and scholarship impacts should be further developed.

#### Chair Miller:

Are there any questions or discussion on Recommendation C-3? Seeing none, is there a motion?

MR. NEPOMUCENO MOVED TO APPROVE RECOMMENDATION C-3.

VICE CHAIR LANGE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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# D. STUDY CONCERNING NIL DEALS AND POLICIES SPECIFIC TO NEVADA'S GAMING INDUSTRY:

#### Chair Miller:

Will you please provide the next recommendation?

#### Ms. Sturm:

The next recommendation is D-4, which is to send a letter to the Nevada Gaming Control Board and the Nevada Gaming Commission on behalf of the COE urging the Board or Commission to conduct a study concerning NIL implications for the gaming industry in Nevada. Specifically, this study may investigate what, if any, possibilities exist for NIL deals between student athletes and the gaming industry. The study may also investigate the possibility of deals with student athletes as brand agents, among other deals, and the implications of such deals. The item also outlines reporting recommendations if such a study is conducted.

#### Chair Miller:

Are there any questions or discussion on Recommendation D-4? Seeing none, is there a motion to approve this recommendation?

VICE CHAIR LANGE MOVED TO APPROVE RECOMMENDATION D-4.

MR. IRVIN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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#### E. NIL CONTRACT DISCLOSURE RQUIREMENTS

#### Ms. Sturm:

Our final recommendation, which is Recommendation E-5, proposes legislation to amend *Nevada Revised Statutes* 398.330 regarding student athlete disclosures to require any entity which engages in an NIL deal with a student athlete to be responsible for disclosing that deal to the student athlete's institution. The institutions should then report NIL deals to NSHE. Further, the proposed legislation would require any entity who facilitates NIL deals, including, but not limited to, third-party agents such as collectives, boosters, and certain

vendors, to register with the state through the Office of the Secretary of State (SOS). Collectives, in particular, are required to disclose all participating parties as well as sources and recipients of the collective's funds.

#### Chair Miller:

Are there any questions or comments on Recommendation E-5?

#### Mr. Irvin:

Is there a proposed effective date for this recommendation? I am not certain how that works—when that would become effective.

#### Chair Miller:

Can you answer that, please, Mr. Killian?

#### Mr. Killian:

Within the text of the recommendation, there is no recommended effective date for the ultimate legislation that would make this change. What is being recommended is for this Committee to recommend to the COE that it submit a bill draft for the upcoming legislative session that would contain these requirements. Ultimately, that legislation would be considered by the 2023 Session of the Legislature. If there is a particular effective date for these substantive provisions that the Committee wishes to recommend, it could include that within this recommendation. If that recommendation is then accepted by the COE, it would turn into a bill draft request (BDR) for the 2023 Legislative Session.

#### Mr. Nepomuceno:

We discussed earlier that NSHE is stretched at this point, and this recommendation appears to include NSHE in terms of disclosure. There are a lot of moving parts. What will NSHE ultimately be doing with the contracts? Is it going to be an enforcing entity—assuming contracts make their way not only to NSHE but to the institution? Also, in terms of third-party agents registering with the SOS, will this put our student athletes in a position where it could limit their opportunity with groups who say, "We cannot handle doing all this paperwork. We want to pay you for a one-hour appearance. If there is not a path of least resistance, and these are all requirements, then we cannot work with you or the institution." I have seen that on a much smaller scale. I wanted to share my experience with the application of some of the NIL deals we have been dealing with.

Finally, I would like to share what I have seen with student athlete perspectives in terms of disclosure. Some of them appreciate disclosure and want to track numbers because they use those to help increase their value and their brand. Others do not want any of their deals out there for negotiation, leverage, or privacy reasons. Although I appreciate that something should be done with respect to disclosure, my humble opinion is we should do less, not more, with disclosure in terms of creating parameters that could prevent NIL deals. Doing more might discourage student athletes from taking advantage of opportunities that could be presented to them.

## Vice Chair Lange:

Chair, you and I privately discussed requiring disclosure if it is over a certain amount. If someone appears for an hour and they make a certain amount, do they have to disclose

that? Or are we looking for the big NIL deals over a certain amount? Would the Committee be amenable to including an amount in the language for disclosing and registering with the SOS? Would that help solve the discomfort that we have about this?

#### Chair Miller:

Yes, you and I did speak about that, and I am open to that suggestion. To answer a couple of your questions, Mr. Nepomuceno, the suggestion that they register with the SOS is about the business of the state. If they are going to do business in our state with our athletes, we would like them to be registered. Disclosure is already in place, which falls on the responsibility of the athlete. The thought was to move that disclosure to the entity, as they would probably keep a tighter, better record, and be able to report it more accurately, easily, and quickly. The thought is those reports should still go in the same way as the student's report. It would shift from the student doing it to the entity doing it. I believe we can incorporate some language that minimizes the type of reporting that is done. Vice Chair Lange and I talked about requiring disclosure only if it were over a \$10,000 deal or something like that. We did not hear a lot of students say they are getting that kind of deal right now, but if they do get into larger amounts of money, then we want to track that to some degree. Any other thoughts?

#### Mr. Nepomuceno:

I agree with creating a monetary figure that would trigger the disclosure. A lot of what we are seeing right now are things like \$25 for a birthday appearance. I would not want those opportunities to go away because there is not a third-party entity. For instance, there is a father who is an avid sports fan and wants a student athlete to attend their son's birthday party. If he needs to register with the SOS and have all these hoops and hurdles, I can see those types of opportunities going away.

#### Chair Miller:

Would you like to make a motion that we include a dollar amount before disclosure is necessary, Mr. Nepomuceno?

# Mr. Nepomuceno:

I would defer because I think the dollar amount should be tied somehow—perhaps to a tax implication. I guess the figure should be calculated in terms of why we chose such a dollar amount. The \$10,000, five-figure threshold is certainly something that came to my mind in terms of being material money that a student athlete would be receiving. If I saw that, regardless of whether that was in legislation, I would look into why that value is so high and whether there was a quid pro quo. Was the service being provided in return, and could that justify that figure? That is exactly what the NCAA is looking at right now. They are trying to figure out what deals are actually offers and inducements versus legitimate NIL deals.

#### Chair Miller:

Mr. Nepomuceno, if you would like to make that motion, you can include a specific dollar amount, or you can open it to the COE to establish that dollar amount if they move forward with the BDR. I think we are all on the same page.

MR. NEPOMUCENO MOVED TO APPROVE RECOMMENDATION E-5 WITH THE INCLUSION OF A \$10,000 DISCLOSURE AMOUNT OR A DIFFERENT AMOUNT AS DETERMINED BY THE COE.

#### Mr. Irvin:

I am concerned about the line that asks us to report to NSHE and what function that serves. Where is that in the process, and how does that facilitate the completion of these contracts? What is the purpose of reporting to NSHE, and who is going to oversee that?

#### Chair Miller:

Can you explain the current disclosure reporting process, Mr. Nepomuceno, or Mr. Irvin?

# Mr. Nepomuceno:

Currently, the way the disclosure process works is UNLV has a third-party administrator— NOCAP Sports—and that is intentional. We do not want to be the custodian of the contracts because it is a whole other process in and of itself. Our student athletes can engage in deals within or outside NOCAP, which is also a marketplace. It is the responsibility of the student athletes to track down the contracts that need to be uploaded into that software. From an institution standpoint, UNLV is not approving anything. We are acknowledging that the contract is in the software, and we review it to make sure it is in line with institutional policy and NCAA interim policy. We are looking at a pay-for-play as well as offers and inducements. So, there is a custodian that is housing our current contracts.

I believe we would experience issues with getting contracts to NSHE without knowing what the parameters are. Will there be a deadline, and what would the penalty be? These are things we are struggling with on campus right now because no guidance has been given. That can create an extra layer of gray.

To Mr. Irvin's point, what would they want to use that information for? How are we best served by putting that report together? Are they looking to track the number of deals or the amount as opposed to disclosing every single contract? Could we give them the information that they are looking for?

# Chair Miller:

Do you have a comment, Ms. Caserto?

#### Ms. Caserto:

I appreciate these gentlemen bringing this to our attention. I am not sure that we need to collect that information from institutions at this point. This may be information we want to look at in the future. We may ask for them for a report. We can figure out the parameters if the Board of Regents wants to look at this in the future, but at this point, it does not appear to be necessary to report these pieces to NSHE.

#### Chair Miller:

I understand what everyone is saying. The goal was to capture the information that is already required to be reported in a centralized place. What I propose is for the COE to consider reviewing the best way to capture certain information from the disclosure. It may be at a future time; it is still early in the NIL process of our student athletes. We are trying to get a broad jump with some recommendations in place so that as things progress forward, we will have an idea of how we should move.

With the disclosure requirement, the goal is to remove the responsibility from the student to the entity and capture the necessary information to further our understanding of what is happening—and when things are not happening as they should—so we can protect our students and our institutions. I suggest the COE decide on the agency and what should be done with disclosures should it decide to bring this BDR forward. It may be a conversation that needs further discussion as a whole. Does that make sense and work for everyone? Any thoughts?

#### Mr. Irvin:

I agree with what you are saying. We currently provide annual reports to the Board of Regents and NSHE every year. This information could be given to them, if required, in our annual reports without having to provide another report or approval to NSHE at a separate time. I think it is within the realm of NSHE's responsibility to ask us for that as part of our annual report; we can provide that information. The way this reads to me is that that we must report these deals to NSHE and get their permission before they can go forward. Is that the intent or not?

#### Chair Miller:

No, that is not the intent. What you stated could work. Do you have any thoughts on that, Ms. Caserto?

#### Ms. Caserto:

I agree with Mr. Irvin in that NSHE could determine if, when, or how it wants that reported down the road. It is correct that we could do it that way. I am concerned with the language, and I appreciate his question to clarify the intent. I believe it could be misconstrued with the way it is written.

#### Chair Miller:

To be clear, the intent is not for NSHE to approve NIL deals. It is simply for the information to be reported and collected. Does some of that meet your concerns, Mr. Nepomuceno?

## Mr. Nepomuceno:

Yes, it does.

#### Chair Miller:

I would like to entertain a motion amending the current language to reflect that NSHE does not have an approval. They are only to receive the information and can determine when and how that information is reported.

MR. NEPOMUCENO MOVED TO REMOVE THE REQUIREMENT TO REPORT ALL NIL DEALS FROM AN INSTITUTION TO NSHE AND AMEND IT TO HAVE NSHE REQUEST A REPORT AT THEIR DISCRETION REQUIRING RELEVANT INFORMATION AT THE APPROPRIATE TIME FROM INSTITUIONS.

#### Chair Miller:

I am going to ask Mr. Killian to ensure we get all the pieces of the amended language in there and are on the same page.

## Mr. Killian:

My understanding is the motion regarding Recommendation E-5 would be to take the text as written in the WSD, and amend:

- The first concept, which is that third parties rather than students should be disclosing these deals, to apply only over a certain dollar amount, which would be either \$10,000 or a different amount the COE determines to be appropriate; and
- The second concept, which is for the institutions to report NIL deals to NSHE, to instead provide, explicitly, that NSHE should not have approval authority over NIL deals. Rather, the COE should determine the appropriate method to gather information relating to the NIL deals into one centralized place.

Please correct me if I did not capture the intent of either of those. That is my best understanding of what has been discussed as far as applying in a single motion.

#### Chair Miller:

Can I get a motion?

MR. NEPOMUCENO MOVED TO APPROVE RECOMMENDATION E-5 WITH AMENDED LANGUAGE FOR THIRD-PARTY DISCLOSURE OF DEALS TO APPLY ONLY OVER A CERTAIN DOLLAR AMOUNT, WHICH WOULD BE EITHER \$10,000 OR A DIFFERENT AMOUNT THE COE DETERMINES TO BE APPROPRIATE AND TO PROVIDE, EXPLICITLY, THAT NSHE SHOULD NOT HAVE APPROVAL AUTHORITY OVER NIL DEALS. RATHER, THE COE SHOULD DETERMINE THE APPROPRIATE METHOD TO GATHER INFORMATION RELATING TO THE NIL DEALS INTO ONE CENTRALIZED PLACE.

VICE CHAIR LANGE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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#### Chair Miller:

We made it to the end of the recommendations in our work session.

# AGENDA ITEM V-PUBLIC COMMENT

#### Chair Miller:

Our next agenda item is public comment.

[Chair Miller called for public comment; however, no testimony was presented.]

Vice Chair Lange, would you like to make a comment?

# Vice Chair Lange:

Thank you for your leadership in this Committee. This was something new for all of us, even though we have seen a lot in the media. We are all trying to do the right thing for Nevada and our athletes. I want to thank you, our staff, members of the Committee, and our

student athletes; it was important to have the students here. Hopefully, this will move us in the right direction and not constrict our athletes, but rather, offer them and the schools opportunities.

#### Chair Miller:

Thank you so much, Vice Chair. It was a pleasure to have you on board with me and to support this work and effort. Thank you as well to our LCB staff, our Committee members, presenters and everyone who gave their time, talent, thoughts, presence, and expertise. It was valuable, as we are traversing new ground—new territory. We are a state that leads in a lot of areas, and we can lead in this one. Thank you to the staff of Broadcast and Production Services and staff from the Fiscal Division, Legal Division, and Research Division. It has been an honor to serve as your Chair and a distinct pleasure to work with everyone on this Committee.

You are invited to monitor the July 29, 2022, <u>meeting</u> of the COE. That is when a report will be presented to the COE containing the findings and recommendations of this Committee.

An archived version of today's meeting will be available online.

That concludes our business for today.

# AGENDA ITEM VI-ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 2:09 p.m.

Respectfully submitted,

	Maria Aguayo Research Policy Assistant
	Lisa Creamer Research Policy Assistant
	Alex Drozdoff Senior Policy Analyst
	Jennifer Ruedy Deputy Research Director
	Jen Sturm Senior Policy Analyst
APPROVED BY:	
Assemblyman Cameron (C.H.) Miller, Chair  Date:	-

# **MEETING MATERIALS**

AGENDA ITEM	PRESENTER/ENTITY	DESCRIPTION
Agenda Item IV	Jen Sturm, Senior Policy Analyst, Research Division, Legislative Counsel Bureau (LCB); and Alex Drozdoff, Research Policy Analyst, Research Division, LCB	Work Session Document

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