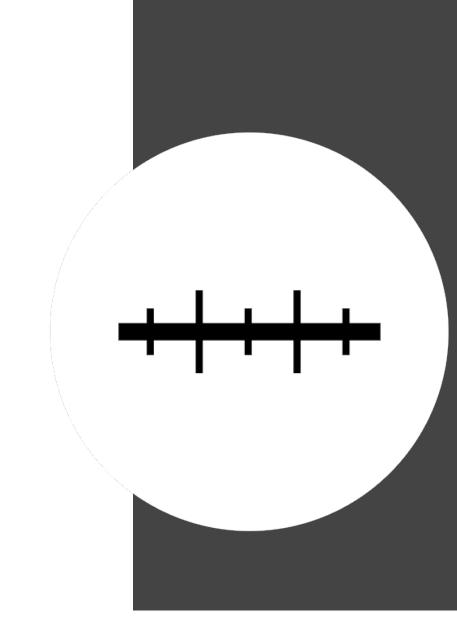
THREE PRIMARY DIRECTIONAL DECISIONS

General Direction

Specific Recommendations to Legislature

Specific Recommendations to CCCAA

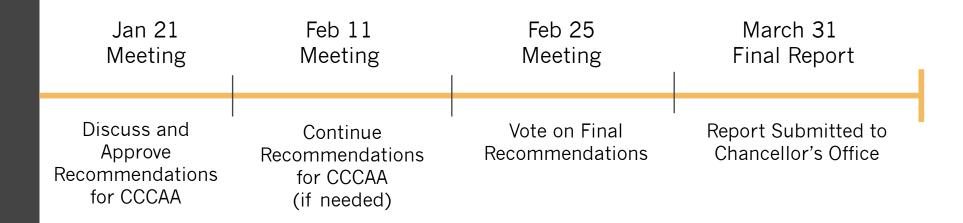
PATH TO MARCH 31



PROCESS TIMELINE

| Aug 31 | Sept 24 | Oct-Dec | Dec 10 | Jan 7 |
|--|--|--|------------------------------|--|
| Meeting | Meeting | Hearings | Meeting | Meeting |
| Intro to Topic Group Norms Witnesses | Additional Policy & Market Research Role in Public Hearings | Consultant Reports Expert Witnesses Public Testimony Individual Information Processing | General Direction Decided | Discuss and Approve Recommendations for Legislature |

PROCESS TIMELINE





HIGHLIGHTS OF RESEARCH AND TESTIMONY

SUMMARIZING AND TRACKING OUR PROGRESS

Learning the Landscape

 August – legal overview on nature of publicity rights; NCAA litigation challenging NIL restrictions; importance of economic and market evidence; analysis of state laws like SB 206.

Review of Required Information

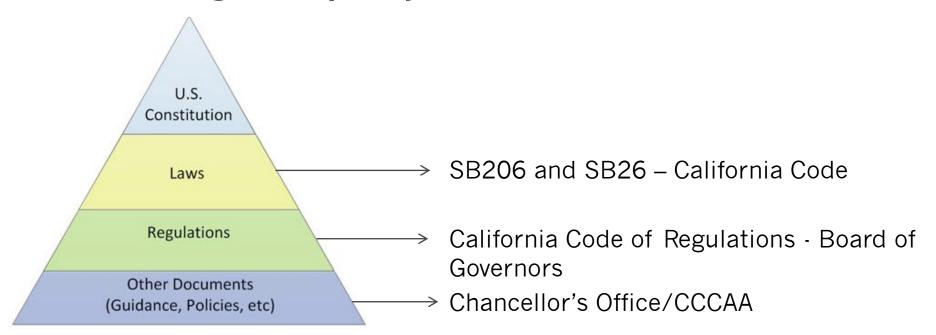
- September review of NIL concept proposals for NAIA and NCAA; and CCCAA policy questions
- October guest speakers: experts in legal issues, business opportunities, monetizing social media; CCCAA stakeholders; college athletics administrators
- November guest speakers: experts on gender equity/inclusion policies, Title IX in relation to NIL, basis of publicity rights, NCAA/NAIA/NJCAA NIL policies (proposed and adopted), economic impact and market for college athlete NIL, and CCCAA social media market analysis
- December guest speakers: current and former athletes from CCC schools/athletics programs, discussions and reflections on public hearing information and expert updates/reports

Formulating Findings and Recommendations – We are here

SB206 WORKING GROUP LEGISLATIVE CHARGE

Working Group Expected Outcomes

- ✓ Review existing CCCAA bylaws, state & federal laws, and national athletic association by laws
- Submit a report (1) to CCCAA; and (2) to the Legislature with findings and policy recommendations





CONSENSUS-BUILDING PROCESS



SIX RECOMMENDATIONS

- 1. Apply SB206 to California Community Colleges
- 2. Recognition of Athlete's Rights Balanced with Preserving Collegiate Athletic Integrity
- 3. Limiting Direct Compensation Based on Athletic Ability or Performance
- 4. Agreements with Boosters and Institutional Involvement with NIL Agreements
- 5. Limitations on Nature or Character of Permitted Promotional Activities
- 6. Educational Programming to Support Athlete NIL Activities

TODAY'S PROCESS FOR PARTICIPATION



Use voice ...

- Judiciously
- Concisely
- In a Distributed Manner

Use chat for...

- Affirming What Someone Says
- Adding to What Others Say

1'm okay with this.

1'm okay with this.

I can't support this today.

UNDERLYING PRINCIPLES FOR RECOMMENDATIONS

Community college athletes should be treated similarly to non-athlete community college students

The welfare of community colleges athletes is the top priority, which includes preservation of continuing educational opportunities beyond the California community college system

APPLY SB206 TO CALIFORNIA COMMUNITY COLLEGES

Draft Recommendation 1: California Community College athletes should not be excluded from the protections afforded athletes attending 4-year degree granting institutions pursuant to SB206.

Based on Working Group Consensus on December 10

Rationale:

- CCCs previously excluded because not directly governed by the NCAA; however, CCC system and its students are closely intertwined with NCAA/NAIA governed institutions
- NAIA already adopted new NIL legislation
- NCAA expected to adopt new NIL legislation in January 2021
- Extending coverage of SB206 for CCCs allows immediate equitable treatment among NCAA D-I, D-II, D-III, NAIA, and CCCAA athletes
 - Maintaining status quo would disadvantage CCC athletes relative to those in other states

Draft Recommendation 1: California Community College athletes should not be excluded from the protections afforded athletes attending 4-year degree granting institutions pursuant to SB206.

Based on Working Group Consensus on December 10

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Based on Working Group Consensus on December 10

1'm okay with this.

I can't support this today.



RECOGNITION OF ATHLETE'S RIGHTS BALANCED WITH PRESERVING COLLEGIATE ATHLETIC INTEGRITY

Draft Recommendation 2: SB206 should be amended to expressly acknowledge the publicity rights of college athletes to include name, image, likeness, and athletic reputation.

Rationale:

- Aligns with principle of not placing restrictions on athletes that are not imposed upon non-athletes
- Permitting athletes with economic rights related to their NIL would not unreasonably blur lines between amateurism and professionalism
- Continuing to ask CCC athletes to forfeit their economic rights related to NIL does not align with the goals and principles of the CCCs
- Restraints on an athlete's economic rights to NIL should only be imposed if necessary to
 - Prohibit pay for play models
 - Prohibit improper recruiting inducements

Draft Recommendation 2: SB206 should be amended to expressly acknowledge the publicity rights of college athletes to include name, image, likeness, and athletic reputation.

1'm okay with this.

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1'm okay with this.

l can't support this today.

LIMITING DIRECT COMPENSATION BASED ON ATHLETIC ABILITY OR PERFORMANCE

Draft Recommendation 3: SB206 should be amended to prohibit direct compensation to be paid from IHE or amateur athletic associations to prospective and current college athletes based on their athletic ability or performance.

Rationale:

- SB206 only prohibits payments in relation to NIL to prospective studentathletes
- Extending this provision to current student-athletes would:
 - Support separation between amateurism and professionalism
 - Reinforce that student-athletes are not employees of the college
- Similar prohibitions found in CO and FL state legislation

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AGREEMENTS WITH BOOSTERS AND INSTITUTIONAL INVOLVEMENT WITH NIL AGREEMENTS

Draft Recommendation 4: SB206 should authorize and direct the Board of Governors/CCCAA to study the need for regulations regarding the involvement of boosters or others affiliated with IHE in the facilitating or arranging for NIL agreements. Any such regulations should be limited to those that are necessary to maintain the separation between professional and amateur sports and prohibit impermissible inducements during the recruiting process.



AGREEMENTS WITH BOOSTERS AND INSTITUTIONAL INVOLVEMENT WITH NIL AGREEMENTS

Rationale:

Valid concerns have been presented regarding most effective approach to these relationships. However, legislative solution seems premature without further understanding of NIL marketplace for college athletes

- Arguments for restricting NIL agreements between athletes and boosters include:
 - May lead to improper recruiting of prospective student-athletes or pay for play model
 - May devalue importance of academic & athletic experiences in collegiate environment
- Arguments against restricting booster or IHE involvement with NIL agreements include:
 - Similar restrictions are not imposed on other students and would deny athletes access to most readily available or interested partners and sponsors.
 - Recruiting advantages already exist in current system based on geographical influences, coaching, facilities, and other amenities/services provided.

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1'm okay with this.

l can't support this today.

LIMITATIONS ON NATURE OR CHARACTER OF PERMITTED PROMOTIONAL ACTIVITIES

Draft Recommendation 5: SB206 should **not** include any specific prohibited promotional activities, nor should any California IHE or amateur athletic association implement or enforce any rules or policies that would seek to restrict the nature or character of acceptable promotional activities (e.g., tobacco, alcohol, etc.) for college athletes.

Rationale:

- SB206, and every other state NIL statute, prevents athlete from entering into NIL agreement that conflicts with existing Team Contract. However, only New Jersey has included a list of prohibited promotional activities in its legislation (alcohol, tobacco, gaming, etc.).
 - Proponents assert that certain types of agreements are inconsistent with institutional values and/or may be illegal in certain areas due to athlete's age or local regulations
 - Opponents assert that these restrictions are not placed upon non-athletes at institution and that athletes should be allowed to make their own choices regarding business partnerships
- Many IHEs engage with companies that athletes would be prohibited from engaging with (e.g., alcohol and gaming). Therefore, any restrictions imposed by the IHE should not be more restrictive than policies applicable to the IHE and the non-athlete student population

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1'm okay with this.

l can't support this today.

EDUCATIONAL PROGRAMMING TO SUPPORT ATHLETE NIL ACTIVITIES

Draft Recommendation 6: SB206 should be amended to authorize and appropriate necessary funding for the Board of Governors to provide targeted educational programming to support athletes in understanding the development and management of their NIL.



Rationale:

- Industry experts and CCC athletes spoke about importance of workshops, training, and other assistance to understand and navigate entry into NIL marketplace
- Educational topics discussed included: Personal brand management; Identifying credible professional service providers and marketing agents; Monetizing personal brand via social media; Creating and protecting intellectual property related to fashion, design, and other creative efforts; Financial management; and Tax implications for NIL earnings.
- Two other states have statutorily mandated or permitted educational programming related to NIL. These mandates stipulate:
 - Facilitating campus interviews to discuss marketing representation
 - Conducting financial literacy and life skills workshops
 - Prohibiting any marketing, advertising, referral, or solicitation by providers of financial products and services at these workshops.

Draft Recommendation 6: SB206 should be amended to authorize and appropriate necessary funding for the Board of Governors to provide targeted educational programming to support athletes in understanding the development and management of their NIL.

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