

California will allow college athletes to profit from endorsements under bill signed by Newsom Los Angeles Times

By Melody Gutierrez, Nathan Fenno September 30, 2019

<https://www.latimes.com/california/story/2019-09-30/college-athlete-endorsement-deals-ncaa-california-law>

California became the first state to require major financial reforms in college athletics on Monday after Gov. Gavin Newsom signed into law a measure that allows players to receive endorsement deals, despite the National Collegiate Athletic Assn. calling the move unconstitutional.

Other states have proposed similar measures to pressure the NCAA, but so far only California is on a collision course with the governing body of college athletics, a billion-dollar organization that has repeatedly opposed efforts to allow [players to profit off their sports](#).

Senate Bill 206 by Sen. Nancy Skinner (D-Berkeley) prohibits the NCAA from barring a university from competition if its athletes are compensated for the use of their name, image or likeness beginning Jan. 1, 2023. The University of California system, California State University schools, Stanford and USC all opposed the bill, saying they feared it would increase costs to ensure compliance with the law and lead to fines or even expulsion from the NCAA.

Newsom said university presidents and athletic boosters contacted him and urged him to veto the bill but that he felt strongly the state needed to address the racial, gender and economic injustices ingrained in college athletics.

“I have deep reverence, deep respect for the NCAA and college athletics,” Newsom said Monday. “I just think the system has been perverted, and this is fundamentally about rebalancing things. It’s about equity, it’s about fairness, and it’s about time.”

The NCAA responded less tersely than it had previously, expressing concerns about states creating their own rules for college athletes.

“As more states consider their own specific legislation related to this topic, it is clear that a patchwork of different laws from different states will make unattainable the goal of providing a fair and level playing field for 1,100 campuses and nearly half a million student-athletes nationwide,” the NCAA said in the statement.

Proponents say the bill could be transformative for young athletes, especially for those of color and from poor backgrounds. For too long, they argue, corporations and colleges have been able to excessively profit off these students, even after they have left college and joined professional sports teams.

Supporters said the bill would also create new opportunities for female athletes who have limited professional opportunities to profit off their abilities in college. The bill passed the California Legislature unanimously.

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The bill garnered national attention, with [NBA stars such as LeBron James](#) and Draymond Green lauding the effort in California to give college athletes some of the windfall they help create for their universities and the NCAA.

Newsom signed the bill during an online-only episode of "The Shop," a talk show from digital sports media company Uninterrupted that airs on HBO. The governor appeared alongside James, the WNBA's Diana Taurasi, former UCLA basketball player Ed O'Bannon and former [UCLA gymnast Katelyn Ohashi](#), whose floor exercise for the school went viral on YouTube in January.

The signing was recorded Friday but released Monday, according to Newsom's office.

Newsom, who played baseball at Santa Clara University, left open the opportunity for continued negotiations with the NCAA during the three years before the bill goes into effect. The sports body is expected to release a report in October with recommendations by a committee that includes conference commissioners, college presidents and athletic directors examining player endorsement deals. Newsom said he asked the NCAA for a preview of what they would be recommending and was told they didn't have any details to provide, "which suggests once again they may fall short."

On Monday, the NCAA said it was considering "next steps in California," and expressed concerns about a patchwork of state regulations on athlete compensation.

"We recognize that we need to keep an open mind about the consequences of this legislation," Newsom said. "We want to engage in good faith the NCAA and other states, but at the end of the day, we want to address this injustice in higher education. No other student is restricted in using their name, image and likeness. Not one. Only athletes."

If the new law survives possible legal challenges, it would allow college athletes to sign endorsement deals, but it could also open up smaller opportunities that were previously prohibited, such as paid youth coaching positions or signing autographs for money. SB 206 still forbids schools from paying athletes.