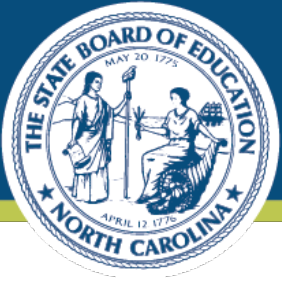




Proposed Permanent Rules

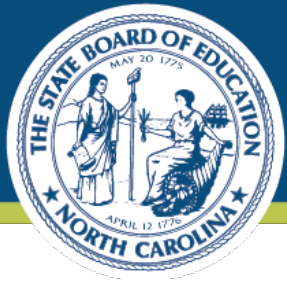
16 NCAC 06E .0200 Interscholastic Athletics





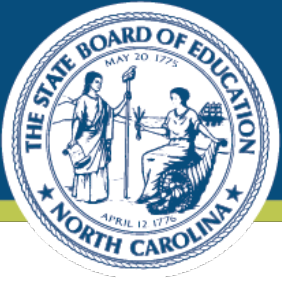
Background

- S.L. 2023-133 required the SBE to adopt new rules for interscholastic athletics.
- The SBE adopted new temporary rules in March 2024. These rules are effective for the 2024-2025 school year.
- The SBE must now adopt permanent rules for the 2025-2026 school year and beyond.
- The proposed permanent rules include several changes to clarify and address deficiencies in the temporary rules.



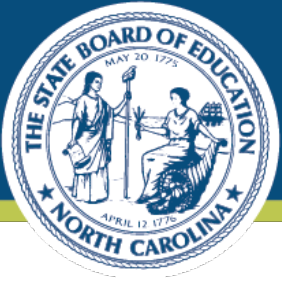
Temporary Rule Timeline

General Assembly Enacts S.L. 2023-133	October 3, 2023
SBE Proposed Temporary Rules	January 4, 2024
Deadline for Required Consultation with GovOps	January 15, 2024
Public Comment Period	January 12 – February 23, 2024
Public Hearing (Virtual)	February 23, 2024
SBE Adopted Temporary Rules	March 7, 2024



Temporary Rule Timeline

SBE Discussed Conforming ATHL Policy Changes	May 2, 2024
SBE Approved Conforming ATHL Policy Changes	June 6, 2024
Temporary Rules Effective Date	July 1, 2025

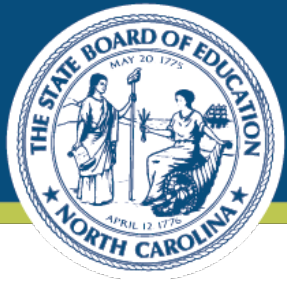


Permanent Rule Timeline

SBE Proposes Permanent Rules	September 5, 2024
Public Comment Period	October 1, 2024 – December 6, 2024
Public Hearing (Virtual)	November 8, 2024 10:00 AM
SBE Adopts Permanent Rules	January 9, 2025
Permanent Rules Effective Date	July 1, 2025



PROPOSED CHANGES FROM TEMPORARY RULES



16 NCAC 06E .0201 (Definitions)

- Adds definition for “final decision” to streamline other rules.
- Adds “rule administrator” as a comprehensive term to include any entity enforcing SBE rules.
- Removes terms that have been moved to the master definition rule proposed in July.



16 NCAC 06E .0204 (Administration of Interscholastic Athletics)

- Re-orders paragraphs for more logical flow.
- Adds requirements for what must be included in a final decision from a rule administrator (relocated from appeals rule).
- Clarifies authority of PSUs to further limit or restrict participation in athletics under local policies.



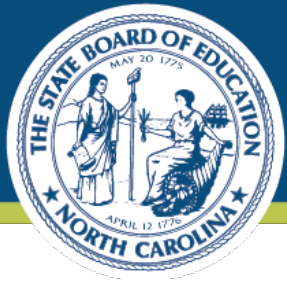
16 NCAC 06E .0206 (Athletic Trainers)

- Requires athletic trainers at wrestling practices and matches in addition to football.



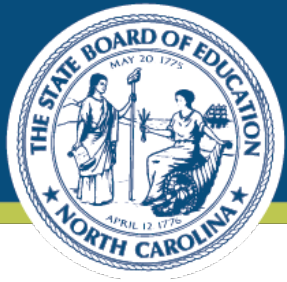
16 NCAC 06E .0207 (Student Participation Rules)

- Addresses gap in the residency rule.
- Incorporates the “2-semester rule.”
- Clarifies the transfer rule.



16 NCAC 06E .0208 (Amateur Rules)

- Removes NIL provision (moved to new proposed Rule .0211).
- Provides that receipt of a grant from the U.S. Olympic Committee does not affect eligibility.



16 NCAC 06E .0215 (Appeals)

- Technical and procedural clarifications.
- Transition from written appeal to standardized appeal form and specific requirements.
- Removes requirement for service by mail, thus permitting all electronic communication.
- Clarifies role of appeals panel.



16 NCAC 06E .0211

NAME, IMAGE, AND LIKENESS (NIL)



NIL: Definitions

- **“NIL” defined:** 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.
- **“Compensation” defined:** anything of value to the student or an immediate family member of the student, including cash, in-kind gifts, discounts, and other tangible benefits.



NIL: Required Contractual Provisions

- Cannot condition compensation on quality of athletic performance.
- Parent or legal guardian must be party to the agreement if student is under 18.
- Must release PSU, administering organization, DPI, and SBE from liability.
- Must otherwise comply with state and federal law.



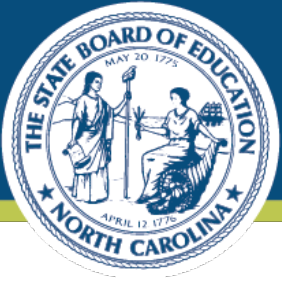
NIL: Preconditions

- Student must provide a copy of the NIL agreement to head coach, athletic director, principal, local superintendent, and chairperson of the local board.
- Student and parent/legal guardian must complete NIL course through NFHS.



NIL: Permitted Activities

- Public appearances or commercials.
- Autograph signings.
- Athletic camps and clinics.
- Sale of non-fungible tokens (“NFTs”).
- Product or service endorsements.
- Promotional activities, including in-person events and social media advertisements.



NIL: Prohibited Activities

- Referencing a school, PSU, conference, or administering organization.
- Receiving compensation for the use of intellectual property of a school, PSU, conference, administering organization, or the NFHS.
- Appearing in the uniform of the student's school or school sports team.



NIL: Prohibited Activities

- Endorsing or promoting the goods or services of a third party during athletic competition or other school activities.
- Displaying the mark, logo, brand, or other identifying insignia of a third party unless part of a standard uniform for the school or sport.



NIL: Prohibited Promotions

- Adult establishments or entertainment services
- Alcohol or alcoholic products
- Tobacco, vaping, or nicotine products
- Cannabis or related products
- Controlled substances



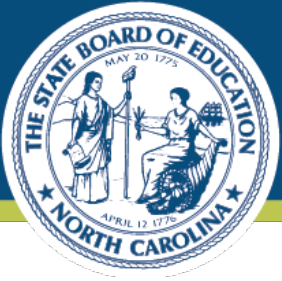
NIL: Prohibited Promotions

- Opioids or prescription pharmaceuticals
- Weapons, firearms, or ammunition
- Casinos or gambling, including sports betting
- Activities that would disrupt the operations of the school or PSU.



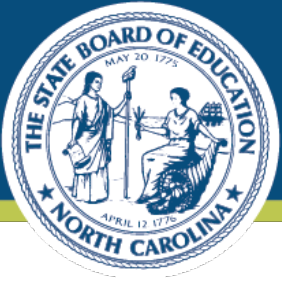
NIL: Required Reporting

- Requires school athletic director to file copies of NIL agreements with the administering organization.
- Requires administering organization to provide a summary report of all NIL agreements to the SBE annually.



NIL: Not a Recruitment Tool

- Prohibits athletic directors, coaches, or other PSU employees, as well as booster clubs and NIL collectives from:
 - Promising an NIL deal in exchange for athletic participation or transfer to a school.
 - Acting as an agent.
- Violations are subject to penalties.



NIL: Delayed Benefits

- Clarifies that the rule applies to any NIL agreement signed prior to graduation from high school, regardless of when the benefits accrue.



QUESTIONS?