College Sports Commission

A NEW ERA IN COLLEGE SPORTS BEGINS: COURT APPROVES LANDMARK HOUSE SETTLEMENT, NEW COLLEGE SPORTS COMMISSION LAUNCHES

Washington, DC - June 6, 2025 – Today marks a historic milestone for college athletics in the United States. The U.S. District Court for the Northern District of California has granted final approval to a settlement in the *House v. NCAA* ("*House*") litigation. This landmark settlement – agreed to by plaintiffs representing nearly 400,000 current and former student-athletes and the NCAA, Atlantic Coast Conference (ACC), Big Ten Conference, Big 12 Conference, Pac-12 Conference and Southeastern Conference (SEC) – will reshape the landscape of college sports, paving the way for a model that prioritizes fairness, stability, integrity and opportunity for student-athletes and institutions.

Overseeing this model will be the newly established <u>College Sports Commission</u> – an independent body that will be responsible for implementing the settlement terms governing revenue sharing, student-athlete Name, Image and Likeness (NIL) deals and roster limits. The Commission will investigate any potential violations of these rules, make determinations regarding potential rules violations and penalties, provide notice and opportunity to be heard, participate in the arbitration process and ultimately administer penalties for violations of these rules. The Commission's leadership team will be announced in the near future.

Under the new system, student-athletes will have more opportunities to financially benefit during their participation in intercollegiate athletics than ever before. Institutions are now able to share revenue directly with student-athletes, in addition to providing existing benefits such as athletic scholarships, access to world-class training facilities, academic counseling, medical care, post-eligibility medical coverage, mental health resources, nutritional guidance and life skills development.

Beginning July 1, 2025, each year, participating schools can distribute up to 22% of the average revenue among schools in the ACC, Big Ten, Big 12, Pac-12 and SEC from media rights, ticket sales, and sponsorships – known as the revenue sharing cap. The cap is estimated at \$20.5 million per school for the 2025-26 academic year, pending final confirmation. To ensure revenue sharing with student-athletes is appropriately managed and reported to the Court for compliance, athletics departments will use the new College Athlete Payment System (CAPS) platform developed by LBi Software.

Student-athletes will also be able to continue receiving compensation from third-parties other than their institutions for the use of their NIL, so long as their NIL deals are made with the purpose of using their NIL for a valid business purpose and do not exceed a reasonable range of

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compensation. On behalf of the College Sports Commission, Deloitte* has built and will maintain a new technology platform called NIL Go in which student-athletes will be required to report their NIL deals to confirm they are in compliance with the rules. Deals will be evaluated based on:

- Payor association The relationship between the payor and the student-athlete's school.
- Valid business purpose Whether the payor is seeking the use of the student-athlete's NIL for a valid business purpose, meaning to sell a good or service to the public for profit.
- Range of compensation Whether the compensation paid to the student-athlete is commensurate with compensation paid to similarly situated individuals.

Finally, for participating schools, NCAA scholarship limits have been removed and roster limits have been established for each sport, allowing for a significant increase in scholarship opportunities for student-athletes. Under this new model, schools will have the option to offer partial or full scholarships to every student-athlete on a team's roster, as long as the total number of student-athletes stays within the sport's specific roster limit. Efforts have also been made to ensure current and immediately incoming student-athletes are not adversely impacted by the establishing of roster limits. Removing scholarship limits allows schools to better support their student-athletes through new scholarships, particularly in non-revenue-generating sports.

"This is a significant moment for college athletics that will provide unparalleled opportunities for student-athletes. We look forward to implementing this new system which offers much-needed transparency and structure to create a more sustainable model for the long-term future of college athletics," said **Jim Phillips, Ph.D.**, Commissioner of the Atlantic Coast Conference.

"We look forward to implementing this historic settlement designed to bring stability, integrity and competitive balance to college athletics while increasing both scholarship and revenue opportunities for student-athletes in all sports," said **Tony Petitti**, Commissioner of the Big Ten Conference.

"As we enter this new era of college athletics, it is crucial we do so with structure, transparency, and the success of student-athletes in mind — this settlement and new model will ensure that happens. I look forward to working alongside my colleagues to implement this new system that prioritizes fairness and opportunity for all student-athletes and institutions," said **Brett Yormark**, Commissioner of the Big 12 Conference.

"It's a new day in collegiate athletics. This historic moment allows us to maintain what makes college sports special, the development of young individuals through sport, while also evolving to meet today's student-athletes where they are with new opportunities in a manner that provides long-term stability for collegiate athletics. I am proud to work alongside my colleagues as we

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implement and introduce the future of college sports," said **Teresa Gould**, Commissioner of the Pac-12 Conference.

"The approval of the House settlement agreement represents a significant milestone for the meaningful support of our student-athletes and a pivotal step toward establishing long-term sustainability for college sports, two of the Southeastern Conference's top priorities. As the journey to modernize collegiate sports continues, we remain focused on identifying and implementing innovative opportunities for our student-athletes across all sports while maintaining the core values that make collegiate athletics uniquely meaningful," said **Greg Sankey**, Commissioner of the Southeastern Conference.

Following are significant dates related to the implementation of the settlement:

- June 6, 2025: Settlement approved; settlement-related NCAA rules are effective, as adopted by the NCAA Division 1 Board on April 21, 2025.
- June 11, 2025: NIL Go portal launches.
- June 15, 2025: Opt-in deadline for non-defendant schools to fully commit to revenue sharing.
- July 1, 2025: First date for direct institutional revenue sharing payments to student-athletes.
- July 6, 2025: Opt-in schools must "designate" student-athletes permitted by the settlement to remain above roster limits.
- Start of 2025-26 academic year: With the exception of the "designated" student-athletes, Fall sports must be at or below roster limits by their first day of competition.
- December 1, 2025: With the exception of "designated" student-athletes, Winter and Spring sports must be at or below roster limits by their first day of competition or Dec. 1, whichever is earlier

More information about the College Sports Commission and the implementation of these new policies can be found at <u>CollegeSportsCommission.org</u>.

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