

A New Foundation for College Athletics

The court’s approval of the House settlement agreement represents a significant milestone for the support of student-athletes and a pivotal step toward establishing long-term sustainability for college sports.

★ Benefits of the settlement

- ✓ Provides enhanced financial benefits and scholarship opportunities for student-athletes.
- ✓ Provides institutions with more operational clarity:
 - More stability
 - Increased transparency on NIL
 - Clear & uniform rules
- ✓ Resolves ongoing litigation and defines payments for past damages, thus avoiding existential liability for college athletics programs.

🔍 Details of the settlement

Institutional payments to student-athletes

Schools are permitted to distribute payments and additional benefits to student-athletes up to \$20.5 million in the first year, derived from an annual percentage of broadcast, sponsorship, and ticket sales revenues. The amount has an annual escalator and will be adjusted every three years based on average A5 school revenues.

Back damages

\$2.77 billion paid out to current and former athletes over a 10-year period.

Full release of all claims for compensation or scholarships by current and former student-athletes.

NIL rights and clarity

Athletes may continue to license their NIL rights to third-party entities, subject to review through new clearinghouse platform, NIL Go.

Scholarship and roster limits

NCAA Division I scholarship limits will be eliminated and replaced with roster limits in each NCAA-sponsored sport.

Institutions may offer scholarships up to the established roster limits – creating opportunity for hundreds of new scholarships.

Schools may add to their rosters, without counting against roster limits, student-athletes who would have lost their roster spot due to the settlement roster limits.

☑ Implementation of the settlement

The College Sports Commission, a new entity that is separate and apart from the NCAA, will:

- 1 Ensure compliance with the new rules around roster sizes, revenue sharing, and third-party NIL deals.
- 2 Utilize a new independent arbitration process to settle disputes in a more timely and effective manner. Student-athlete eligibility will not be impacted during arbitration process.
- 3 Bring structure by enforcing these new rules providing regulation of third-party NIL payments.
- 4 Investigate potential rules violations and apply penalties when violations are determined through a new, more streamlined adjudication process.

NIL Go

Evaluate whether third-party NIL deals have a valid business purpose and are within an established range of compensation based upon various market factors.

User-friendly online process for student-athletes to report third-party NIL deals to determine compliance with the new rules, allowing student-athletes to move forward with their deals confidently while protecting their eligibility.

⚙ Current benefits that will be maintained

The settlement will help maintain an education-based model for college sports, ensuring the opportunity for student-athletes to earn a degree and the tools necessary to be successful in life after sports.

- 📖 Free tuition, room and board.
- 🧠 Life skills development.
- 🏋️ Athletics training & development.
- 🎓 Academic support & tutoring.
- 🩺 Medical and mental health support & extended coverage.
- 🍽 Nutrition support.

❓ Unresolved issues

The continuing need for federal legislation to establish:

- A federal standard to rectify the patchwork of conflicting state laws.
- Employee-exempt status for student-athletes.
- Liability protection to allow new benefits, uniform standards, and enforcement.