

Division: I

Proposal Number: 2025-25

Title: IMPLEMENTATION OF HOUSE V. NCAA SETTLEMENT -- VALID BUSINESS PURPOSE AND GUARANTEEING THIRD-PARTY NIL

Status: Adopted Final

Intent: To implement additional elements related to the House settlement, as specified.

Category: Amendment

A. Bylaws: Amend 22.1.1, as follows:

22.1.1 Institutional Involvement in Student-Athlete Name, Image and Likeness Activities. An institution or an entity owned, controlled, funded or operated by the institution may:

- (a) Enter into a written license and/or endorsement agreement for the use of a student-athlete's name, image or likeness, or other rights, other than a license or agreement that authorizes payment for the right to use a student-athlete's name, image or likeness for a broadcast of collegiate athletic games or competitive athletic events, for a period not to exceed the student-athlete's period of eligibility (see Bylaw 12.6), provided the agreement does not provide for payments to a third party on the student-athlete's behalf. However, if an institution and a student-athlete agree to the institution's use of the student-athlete's name, image or likeness to promote its academic or athletics program in content created while the student-athlete is enrolled, the institution may, pursuant to the agreement, continue the use of such content after the student-athlete's eligibility has expired; and
- (b) Act as a marketing agent for a student-athlete with respect to noninstitutional name, image or likeness contracts. A parent, guardian, lawyer, or other competent representative may assist the student-athlete in discussions regarding entering into an exclusive or nonexclusive license or endorsement agreement, unless the student-athlete waives in writing the assistance of a parent, guardian, lawyer, or other competent representative.

22.1.1.1 No Guarantee of Third-Party NIL. An institution shall not provide a written or oral guarantee to a student-athlete of a third-party NIL contract or payment. A guarantee is any written or oral statement that the institution will be responsible for such contract or payment if not fulfilled by the third party.

22.1.1.1.1 Exception -- Guaranteed Third-Party NIL Prior to July 1, 2025. If prior to July 1, 2025, an institution guaranteed a third-party NIL contract or payment to a student-athlete for the 2025-26 academic year, such guarantee is permissible and will count against the institution's benefits cap unless and until the student-athlete receives NIL payments from the third party up to the guaranteed amount.

B. Bylaws: Amend 22.1.3, as follows:

22.1.3 Involvement of Associated Entities or Individuals in Student-Athlete Name, Image and Likeness Activities. An associated entity or individual shall not enter into an agreement with or provide payment to a prospective student-athlete or student-athlete unless the agreement or payment terms, as determined by the name, image and likeness clearinghouse, are for a valid business purpose related to the promotion or endorsement of goods or services provided to the general public for profit, with compensation at rates and terms commensurate with compensation paid to similarly situated individuals with comparable name, image and likeness value who are not prospective student-athletes or student-athletes of the institution. Raising money to induce student-athletes to attend or participate in intercollegiate athletics at an institution does not satisfy the valid business purpose requirement for making NIL payments to student-athletes.

[22.1.3.1 through 22.1.3.2 unchanged.]

22.1.3.3 Deployment of Rights as a Valid Business Purpose. An NIL agreement or payment with an associated entity or individual must include direct activation of the student-athlete's name, image and likeness rights. In other words, the acquisition of such rights without reasonable specificity of the NIL activation (e.g., description of the specific group licensing categories, the student-athlete's obligations related to the activation, timing and ultimate use of the student-athlete's NIL) may not satisfy the requirements for payments by associated entities or individuals.

Source: NCAA Division I Board of Directors

Effective Date: Immediate

Topical Area: Name, Image and Likeness Activities

Rationale: This proposal would implement additional necessary changes and clarifications to address the terms of the House settlement.

Estimated Budget Impact: None.

Impact on Student-Athlete's Time (Academic and/or Athletics): None.

History:

- Aug 19, 2025 In Progress
- Oct 1, 2025 Adopted by Board Adopted as emergency legislation.
- Oct 1, 2025 Adopted Final

Legislative References

Legislative Cite	Title
22.1.1	Institutional Involvement in Student-Athlete Name, Image and Likeness Activities.
22.1.1.1	No Guarantee of Third-Party NIL.
22.1.1.1.1	Exception -- Guaranteed Third-Party NIL Prior to July 1, 2025.
22.1.3	Involvement of Associated Entities or Individuals in Student-Athlete Name, Image and Likeness Activities.
22.1.3.3	Deployment of Rights as a Valid Business Purpose.

Student-Athlete Success/Well-Being:

Enforceable and Merits Outweigh Monitoring Burdens:

Consequential or Nationally Significant:

Division I Commitment:

