



Name, Image, & Likeness (NIL)

January 27, 2025

Background

In the past, the NCAA prohibited student-athletes from profiting from their NIL. However, in June 2021, the NCAA implemented NIL to allow student-athletes to earn money from their brand.

Athletes can generate revenue from NIL in several ways, including signing endorsement deals, appearing in advertisements, selling merchandise or signed memorabilia, getting compensated for social media content, and signing with booster-led NIL collectives.

The "**NIL House Settlement**" refers to a proposed legal settlement in the case of "House v. NCAA," where former college athletes are suing the NCAA for denying them the ability to profit from their Name, Image, and Likeness during their playing careers, resulting in a large payout of damages to eligible athletes and essentially providing them with back pay for lost NIL opportunities. The settlement is currently awaiting final approval by a judge and could significantly change the landscape of college athletics by establishing a new system for revenue sharing with athletes based on NIL rights.

NIL stands for "name, image, and likeness" and refers to the rights of college athletes to control and profit from their personal brand.

- **Name:** An athlete's legal name
- **Image:** How an athlete visually appears in photos or videos
- **Likeness:** An athlete's identity and persona, including their voice, habits, or other unique characteristics

Recent NIL Initiatives in Other States

- **Arkansas**
 - Language is being proposed for the upcoming legislative session to **allow institutions to transfer additional amounts of E&G funds above the current limit** to support athletics in order to comply with any current or future legal settlements.
- **Georgia**
 - Whether or not the "House" settlement is fully approved, **Georgia's colleges and universities can now directly pay their athletes** for their name, image, and likeness based on a September 17th, 2024, executive order from Governor Brian Kemp.

- **Ohio**
 - Recently **passed legislation** allowing institutions of higher education (public or private) to **compensate a student-athlete for NIL**.
- **Oklahoma**
 - The head coach of the Oklahoma State University football team recently **agreed to pay cuts** that will be redistributed to players in the form of NIL and revenue sharing.
 - On January 9, 2025, Governor Kevin Stitt signed an executive order **enabling institutions to facilitate direct payments to student-athletes** for the use of their NIL while federal and legal decisions surrounding such payments remain pending. The order also **prevents taxpayer dollars from being used on NIL deals**.
- **Pennsylvania**
 - **Data collection and monitoring** related to NIL will increase.
- **South Dakota**
 - The State of South Dakota and the South Dakota Board of Regents have filed [a complaint](#) against the NCAA and its proposed settlement. The complaint alleges that the proposed \$2.8 billion settlement between the NCAA and the “Power Four” conferences **unfairly forces smaller schools** like the South Dakota schools to be responsible for a **disproportionate share** of the settlement cost.
- **Tennessee**
 - The University of Tennessee announced a **10% "talent fee"** on all tickets for the 2025 season to help pay its athletes. In addition to the talent fee, the school announced a **4.5% increase on all football tickets**.
- **Virginia**
 - Amendments were enacted in 2024 to allow student-athletes to **earn compensation** for the use of NIL.

Are Other States Allowed to Use Education & General (E&G) State Appropriations for Athletics?

- **Alabama**
 - **No**, intercollegiate athletic programs are self-supported and are not funded by Alabama’s Education Trust Fund.
- **Arkansas**
 - **Yes**, institutions can transfer up to an amount equal to 2% of the previous year's E&G funds to support athletics each year. Language is being proposed for the upcoming legislative session to allow institutions to transfer additional amounts above the current 2% limit to comply with any current or future legal settlements.

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- **California**
 - **Yes**, possible funding sources for athletics in California include the state's General Fund.
- **Georgia**
 - **No**, University System of Georgia institutions may not use state appropriations to fund athletics.
- **Michigan**
 - **Yes**, public higher education institutions are allowed to spend E&G state appropriations on intercollegiate athletics.
- **New York**
 - **Yes**, the State University of New York system can use general fund/state operations support to fund intercollegiate athletics programs.
- **North Carolina**
 - **No**, University of North Carolina institutions cannot spend E&G state appropriations on athletics **unless specifically authorized in law**.
- **Pennsylvania**
 - **Yes**, institutions in the Pennsylvania State System of Higher Education may use E&G state appropriations for intercollegiate athletics.
- **South Dakota**
 - **Yes**, South Dakota public institutions may use General Fund appropriations and fees (such as a general activity fee) for athletics but **may not use tuition funds**.
- **Tennessee**
 - **Yes**; however, it is notable that athletics are self-supporting at the University of Tennessee Knoxville.
- **Texas**
 - **No**, Texas public higher education institutions cannot use E&G state appropriations for intercollegiate athletics.
- **Vermont**
 - **Yes**, public dollars can be used to support intercollegiate athletics. However, the formula for the distribution of state appropriations excludes intercollegiate athletics, development, and other auxiliary expenses. In practice, this means that public dollars are not used to support intercollegiate or intramural athletics.
- **Virginia**
 - **No**, Virginia public higher education institutions cannot use E&G state appropriations for intercollegiate athletics.

Are Other States Allowed to Use Surplus/Available Funds from Other Auxiliary Enterprises (e.g. Housing or Food Services) for Athletics?

- **Georgia**
 - **Yes**, while not explicit in Board Policy, the University System of Georgia's business procedures manual defines intercollegiate athletics as an auxiliary enterprise. The manual also allows institutions to operate certain auxiliary enterprise activities on a loss basis but requires that the institution provide a 5-year business plan that shows how such losses would be covered by revenues generated from other auxiliary activities.
- **North Carolina**
 - **Yes**, there is no prohibition on using auxiliary funds to support athletics in North Carolina, and historically, multiple institutions have done so. However, the state is actively working with institutions to reduce reliance on those sources.
- **Tennessee**
 - **Yes**, it is technically possible, but it is not common practice among institutions. The closest approximation may be that an athlete's housing fee is waived, offering an indirect subsidy from auxiliaries to athletics.
- **Texas**
 - **Yes**, surplus auxiliary funds in one area can be used to support another – state statute does not explicitly prohibit using other auxiliary funds for intercollegiate athletics. Nevertheless, if an auxiliary fee is assessed under a specific statute, an institution would need to ensure that transferring the funds to be used for another purpose would not violate that statute.