Insights: Publications

6 Key Takeaways | Beyond the Game: Legal and Institutional Shifts in the NIL Era

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Kilpatrick's Jim Hefferan and Michael Grace recently presented **"Beyond the Game: Legal and Institutional Shifts in the NIL Era."** NIL (name, image, and likeness) has transformed the landscape of college athletics in recent years, not only on the playing field, but from a legal and an administrative perspective as well. This presentation defined what is encompassed by NIL and traced the origins of NIL from early case law through the adoption of relevant NCAA rules, culminating in the recent landmark House settlement that went into effect on July 1, 2025. The presenters also addressed questions left unanswered by the House settlement as well as areas where experienced attorneys can provide value in advising current and former student-athletes with respect to the evolving NIL landscape.

Key takeaways from the presentation include:

1. The settlement recently approved by the federal district court in the *House v. NCAA* class action for the first time authorizes revenue sharing and direct payments to student-athletes by participating NCAA Division I universities. Participating schools will directly pay athletes a share of up to 22.5% of the average power conference athletic media, ticket, and sponsorship revenue. The initial annual cap will be $20.5 million and it will increase every year for the next 10 years.

2. The NCAA will also pay $2.8 billion in damages over 10 years to athletes who competed in college at any time from 2016 to present, reflecting lost NIL, video game, and broadcasting opportunities because of eligibility rules. This portion of the settlement has been delayed due to the filing of several appeals.

3. The *House* settlement ends scholarship limits for sports. There will now be roster limits instead.

4. NIL deals between student-athletes and third parties that exceed $600 will face independent review from a new clearinghouse called NIL Go to ensure they are for a valid business purpose and not "pay for play," which remains prohibited by NCAA rules.

5. The NCAA is turning enforcement of revenue sharing, NIL, and roster limits over to an entity known as the College Sports Commission.

6. Even after final approval of the *House* settlement, questions still remain regarding issues such as employment status, Title IX, conflicting state NIL statutes, eligibility, and litigation from class members who opted out. Congressional action will likely be necessary to resolve lingering antitrust issues.

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