Division: I

Proposal Number: 2025-24

Title: IMPLEMENTATION OF HOUSE V. NCAA SETTLEMENT -- NIL ACTIVITY VALID BUSINESS PURPOSE AND FACILITATION OF PAYMENTS

Status: Adopted Final

Intent: To implement additional terms of the House settlement, as specified.

Category: Amendment

Bylaws: Amend 22, as follows:

22 Name, Image and Likeness Activities

[22.01 through 22.02 unchanged.]

22.1 Student-Athlete Name, Image and Likeness Activities.

[22.1.1 through 22.1.2 unchanged.]

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 Request for Information Related to Valid Business Purpose. The College Sports Commission (CSC) may require student-athletes or the entities with whom they seek to enter NIL agreements to provide information and documentation to establish compliance with the requirements, including an associated entity or individual's efforts to profit from the NIL deal. Refusal to provide this information or the provision of insufficient information to establish compliance may result in NIL deals not being cleared by the CSC.

22.1.3.2 Valid Business Purpose of Contract or Payment Terms With Nonprofit or Charitable Organization. A name, image and likeness contract or payment terms involving a noninstitutional nonprofit or charitable organization may be considered to have a valid business purpose only if the contract or payment terms:

(a) Originate with funding from the nonprofit or charitable organization; and

(b) Involve the student-athlete participating in an activity for which the primary purpose is to raise funds to support the organization's bona fide charitable mission. A bona fide charitable mission may not include supporting the institution or its athletics program in any form, or supporting a prospective student-athlete or student-athlete.

[22.2 unchanged.]

22.3 Professional Service Providers.

22.3.1 Representation for Purposes of Name, Image and Likeness Activities. An individual may use professional services, including agent representation, for the purpose of name, image and likeness activities. Business arrangements related to representation for purposes of name, image and likeness activities (e.g., travel expenses associated with meeting) shall be consistent with arrangements between the professional service provider and other prospective or current clients and align with industry standards.

22.3.2 Facilitation of Payments. A professional service provider (e.g., agent, multimedia rights holder acting as a marketing agent, marketing agency) may assist in facilitating payments for name, image and likeness contracts or payment terms to a student-athlete, provided the entity that will use the student-athlete's name, image and likeness rights for the promotion or endorsement of its goods or services provided to the general public for profit is the originating source of the compensation and not the professional service provider.

[22.4 unchanged.]

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 1, 2025	In Progress	
Sep 2, 2025	Adopted by Board	Adopted as emergency legislation.
Sep 2, 2025	Adopted Final	

Legislative References

Legislative Cite	Title
22	Name, Image and Likeness Activities
22.1	Student-Athlete Name, Image and Likeness Activities.
22.1.3	Involvement of Associated Entities or Individuals in Student-Athlete Name, Image and Likeness Activities.
22.1.3.1	Request for Information Related to Valid Business Purpose.
22.1.3.2	Valid Business Purpose of Contract or Payment Terms With Nonprofit or Charitable Organization.
22.3	Professional Service Providers.
22.3.1	Representation for Purposes of Name, Image and Likeness Activities.
22.3.2	Facilitation of Payments.

Student-Athlete Success/Well-Being:

Enforceable and Merits Outweigh Monitoring Burdens:

Consequential or Nationally Significant:

Division I Commitment: