

## Memorandum

Date: 07/12/21

To: Joe Rinaldi, President & CIO

From: Steven Mendley, Head of Research IIIIP Program, Dartmouth College

Re: NCAA Approves Interim Name, Image, and Likeness Policy

All three divisions of the National Collegiate Athletics Association (NCAA) have adopted an interim policy, which took effect on July 1, 2021, giving NCAA athletes the opportunity to benefit from their name, image, and likeness (NIL). The decision followed the Supreme Court's unanimous ruling that the NCAA could not limit education-related benefits for college athletes. While the ruling did not specifically discuss NIL rules, the NCAA has been looking to revise its NIL policies since 2019.

Under this new policy, all previous NIL rules are suspended and both current and prospective student-athletes will now be able to engage in NIL activities, as long as those activities are consistent with the laws of the state where their college is located and any institutional policies. These activities may include endorsement deals and brand partnerships. Colleges may also be able to provide students with further education-related benefits. Current and prospective student-athletes should contact their institutions for more information on state laws and reporting requirements. Additionally, athletes may use a professional services provider for NIL activities. Professional service providers can include an agent, tax advisor, financial advisor, marketing consultant, attorney, or brand management company.

Despite the new policies, the NCAA has maintained its position regarding protecting and promoting the national recruiting environment and fair play. Thus, the new policy does not make changes to previous rules restricting pay-for-play or impermissible inducements. NIL agreements without quid pro quo or that are contingent on enrollment at a particular school will remain prohibited. Additionally, while athletic performance may enhance an athlete's NIL value, it may not be a consideration for compensation (compensation for participation or achievement). Furthermore, institutions still cannot provide compensation for the use of an athlete's NIL.

The interim policy was created with the intent of providing NCAA college athletes and their families with clarity regarding NIL but has left large amounts of grey area for institutions to fill in with their own policies. Unfortunately, antitrust regulations limit how specific the NCAA can be at this time. Still, the NCAA has established their commitment to further helping athletes and working with Congress to generate a permanent solution. While this initial policy change is a good first step in ensuring fair compensation for college athletes, the NCAA still has a long way to go in determining more specific rules and bringing all 50 states to a unanimous agreement.

For more information, the NCAA has provided the following educational resources:

- Name, Image and Likeness Policy O&A
- Quick Guide to New Interim NCAA Policy
- New Interim Policy Key Takeaways

- Cycle of Individual Engaged in NIL Activities
- Considerations for Financial Aid Office
- Optional Reporting Form
- Video Resources