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<u>Knight Commission on Intercollegiate Athletics Principles for New Rules on the</u> <u>Use of College Athletes' Name, Image and Likeness</u> April 3, 2020

The Knight Commission on Intercollegiate Athletics believes an updated model of college sports is necessary to ensure the fair treatment of college athletes and to better prioritize their education, health, safety, and success. This model must maintain the two foundational elements that distinguish college sports from professional sports: college athletes must be full-time academically eligible students and institutions must be prohibited from paying them for their athletics participation.

The Knight Commission supports allowing college athletes to earn compensation, from sources other than their institutions, for the use of their name, image, and likeness (NIL). The Commission proposes the following guiding principles to protect the rights of college athletes to pursue NIL opportunities that do not become forms of pay for play or create improper recruiting advantages, while recognizing that many details remain to be worked out:

1. Fairness to Athletes as Students.

NIL rules must be fair and equitable, enabling college athletes to pursue NIL opportunities like other students, provided such opportunities do not unduly interfere with the educational experience of the student or create pay-for-play arrangements.

College athletes must be allowed to use approved and duly licensed third-party professionals, who are not employees or independent contractors¹ of the university, to arrange opportunities for athletes to earn compensation for the use of their NIL.

2. Informing Athletes on NIL Rights.

Institutions must be required to provide college athletes with information and opportunities to be educated on their NIL rights and related legal and regulatory issues, including the uses of and restrictions on third-party professionals.

3. Oversight of NIL Rights.

The management and application of NIL rules (e.g., reporting requirements, approval framework, morals clause) must be overseen by an entity led by a board with a majority of

¹ Independent contractors are defined as entities or individuals other than employees who provide services to institutions or conferences, such as, but not limited to, multimedia rights holders that sell institutional or conference sponsorships or companies paid by the institution and/or conference to manage and optimize its social media content. Companies that provide products, not services, such as shoe and apparel companies, are not deemed to be independent contractors and may enter into NIL arrangements with college athletes.

independent directors, who are not employed by the NCAA or its member institutions. In addition, one-third of the board must be current and former college athletes. This entity should be granted authority by the NCAA and/or by the appropriate governmental body.

4. Guardrails for NIL Rights.

NIL rules must protect fair sports competition among institutions and be designed to permit only legitimate transactions between third parties and college athletes for use of their NIL. Rules must be put in place to avoid pay for play, impermissible benefits, and improper recruiting or retention arrangements (e.g., endorsement with a shoe company linked to future enrollment at a specific institution).

Specifically:

- a. Conferences, institutions, and their employees and independent contractors¹ must be barred from providing or arranging for compensation to college athletes and prospective college athletes for the use of their NIL, including through group license deals.
- b. NIL arrangements must be broadly consistent with fair market value, with the new governing entity providing oversight and an approval process.
- c. Institutions and conferences must not allow the commercial use of their trademarks and logos by or in association with their college athletes, except that college athletes may identify themselves as a team member or student at their institutions or conferences.

5. National uniformity.

NIL rules must be uniform and enforceable across all states.