akerman

Practice Update

The NCAA *House* Settlement: One Year Later

July 28, 2026

By LaKeisha C. Marsh, Montoya M. Ho-Sang, Jamel A.R. Greer, and Sommer Sharpe

Executive Summary

The NCAA *House* settlement received final approval in June 2025, permitting Division I schools to share up to approximately $20.5 million in athletic revenues directly with student-athletes in the first year — with the cap growing over a 10-year term. Participation is voluntary, but competitive pressures will drive most institutions toward significant spending. Schools face immediate compliance demands: opting into the framework, building payment and NIL reporting infrastructure, identifying roster-limit-exempt athletes, and ensuring Title IX compliance in revenue-sharing distributions. The settlement's legal status remains unstable due to pending appeals, and institutions retain ongoing antitrust and Title IX litigation exposure.

1. Overview

In June 2025, Judge Claudia Wilken of the U.S. District Court for the Northern District of California granted final approval of the landmark NCAA *House* settlement, resolving the consolidated *House v. NCAA*, *Oliver v. NCAA*, and *Carter v. NCAA* antitrust actions. The Settlement provides for $2.576 billion in damages and permits Division I institutions to share athletic revenues directly with student-athletes for the first time in NCAA history. It establishes a

Related People

Jamel A.R. Greer
Montoya M. Ho-Sang
LaKeisha C. Marsh
Sommer Sharpe

Related Work

Government Strategies
Higher Education and Collegiate Athletics

Related Offices

Atlanta
Chicago
Los Angeles

revenue-sharing framework (the pool), eliminates traditional scholarship limits, permits the adoption of roster limits, and creates a new NIL enforcement structure. Participation is voluntary — schools that opt in may compensate student-athletes under the pool, but no school is required to do so.

Although final approval resolved a major hurdle, the matter remains unsettled in important respects. Several groups of student-athletes filed appeals after final approval, including challenges focused on Title IX, antitrust concerns, damages allocation, and the settlement's forward-looking injunctive relief. These appeals have not stopped schools from implementing the new revenue-sharing model, but they have complicated the finality of the settlement and, in particular, delayed or threatened the timing of back-pay distributions to class members.

2. The Current Status of the Settlement

Division I schools that opt into the Injunctive Relief Settlement may directly compensate their student-athletes, subject to an annual cap (the pool) set at 22% of the Power Five schools'[1]average athletic revenues, with specified yearly increases. For 2025–2026, this cap is estimated at approximately $20.5 million per institution, growing to approximately $32.9 million by 2034–2035. The pool is permissive — no school is compelled to provide any particular amount—but competitive pressures are widely expected to drive spending near the cap.

The settlement has also created a new compliance and enforcement infrastructure. The College Sports Commission (CSC) was established to oversee the implementation and enforcement of the new NIL rules, including the revenue-sharing framework, NIL reporting, and roster-limit compliance. The Commission supervises two principal platforms: NIL Go, through which student-athletes report third-party NIL agreements, and the College Athlete Payment System, through which schools report direct payments to student-athletes.

Despite implementation moving forward, the settlement is now subject to appellate review. Several appeals challenging the settlement's final approval were filed and consolidated, with objectors raising issues including Title IX challenges to the damages allocation, class-definition concerns affecting back-pay eligibility, and the impact of roster limits on student-athletes and athletic programs. Additional consolidated appeals followed Judge Wilken's rejection of objections from the 2025 to 2026 incoming class, including objections focused on Title IX, roster-limit consequences, and program cuts. Separately, class counsel has sought to enforce the settlement by limiting the College Sports Commission's review of certain third-party NIL deals involving multimedia rights companies or school-facilitated arrangements, but Magistrate Judge Cousins denied that request, finding that the settlement requires individualized review; class counsel has indicated it intends to appeal that ruling to Judge Wilken. Most recently, on June 29, 2026, class counsel reported that the CSC continues to resist certain evidentiary and document disclosures, while the next major district court deadlines concern objections from 2026–27 incoming class members, culminating in a September 25, 2026 hearing.

3. Key Unresolved Issues

Several issues remain unresolved or may generate continued disputes as the settlement is implemented:

- **Title IX and damages allocation.** The Title IX appeal creates a risk to the timing and structure of back-pay distributions. Objections argue that the damages formula improperly allocates a disproportionate share of settlement funds to male athletes and fails to provide substantially proportionate benefits to female athletes.
- **Revenue sharing and Title IX compliance.** The settlement does not eliminate federal gender-equity obligations. Nothing in the settlement prevents schools from distributing compensation

in a manner that complies with Title IX, and student-athletes expressly retain the right to bring Title IX claims arising from revenue-sharing implementation. This should be a priority for institutional general counsel.

- **NIL regulation and enforcement.** The settlement narrows NCAA authority over third-party NIL payments to transactions involving “Associated Entities or Individuals”—generally, entities that promote or support a particular school’s athletic program. Payments from other third parties (consumer brands, apparel companies, etc.) may not be restricted. Enforcement disputes must now be resolved through neutral arbitration with due process protections, replacing the NCAA’s prior role as sole decision-maker. Disputes are already emerging over the scope of permissible restrictions.
- **Roster limits and competitive impact.** The settlement eliminates all Division I scholarship limits — potentially opening 115,000+ additional scholarships annually — and permits the NCAA to adopt roster limits. To address displacement concerns, student-athletes who lost or would lose roster spots due to immediate implementation (“Designated Student-Athletes”) are exempt from roster limits for the remainder of their Division I careers. This exemption is portable. If a designated student-athlete transfers to another institution, the exemption follows that student-athlete, and they will not count against the new institution’s roster limit for the remainder of their eligibility. Schools must use good-faith efforts to identify these athletes, who will not count against any roster cap.
- **Ongoing antitrust exposure.** The court expressly declined to adjudicate whether the pool cap, Associated Entity NIL restrictions, or roster limits violate the Sherman Act. Class members retain the right to bring future damages claims arising from these provisions. Institutions should anticipate that the new framework may itself become the subject of future litigation.

4. Institutional Action Items and Practical Implications

If schools have not already done so, they should evaluate whether to opt into the Injunctive Relief Settlement, finalize policies for direct athlete payments under the pool, and confirm that Title IX review protocols for revenue-sharing distributions are in place. Institutions should also continue building out NIL reporting infrastructure through NIL Go and the College Athlete Payment System, maintain up-to-date designated student-athlete identification processes, and monitor evolving guidance from the NCAA, conferences, and the College Sports Commission. Board members should continue to account for the significant budgetary implications of competitive revenue-sharing and remain engaged in governance discussions over the 10-year settlement term.

For student-athletes, while the settlement creates several NIL earning opportunities, it also creates new reporting obligations. Students receiving school payments or entering into third-party NIL arrangements should expect increased scrutiny of deal terms, fair-market-value determinations, and reporting deadlines. Athletes awaiting back-pay distributions should also understand that appellate proceedings may affect timing, even if the forward-looking revenue-sharing model continues.

For conferences, the settlement creates both financial obligations and governance responsibilities. The Power Four conferences share responsibility for a significant portion of the back-pay damages alongside the NCAA, and they jointly control the College Sports Commission that enforces the new NIL and revenue-sharing rules. The settlement has also exposed a growing financial divide between conferences, as institutions in the SEC and Big Ten leverage deeper booster and sponsor resources to maximize NIL spending, while schools in the ACC and Big 12 face comparatively greater constraints.

5. What's Next?

The NCAA *House* settlement is being actively implemented, but its legal status remains unstable. Appeals — particularly those focused on Title IX and damages allocation — may affect back-pay distributions and could require modifications. The Injunctive Relief Settlement will remain in force for 10 academic years, providing structural stability, but institutions must address NIL reporting, roster limits, designated student-athlete identification, revenue-sharing payments, and gender-equity obligations on an ongoing basis.

The settlement remains one of the most consequential developments in the history of college athletics. It formally ends the NCAA's longstanding prohibition on direct institutional compensation to student-athletes, but it also opens a new era of regulatory, employment, antitrust, and Title IX questions. Akerman will continue monitoring the appellate proceedings, implementation of the College Sports Commission's enforcement framework, and the evolving compliance obligations for colleges, conferences, and student-athletes.

---

[1]"Power Five" refers to the ACC, Big Ten, Big 12, Pac-12, and SEC Conferences as defined in the settlement. These conferences are also commonly referred to as the "Power Four" following the Pac-12's realignment.
