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Practice Update

NCAA Board of Governors Approves NIL Endorsements

April 30, 2020 By Jamel A.R. Greer

The NCAA took its biggest and boldest step towards modernizing rules that allow student-athletes to receive compensation. On April 29, 2020, the NCAA issued a statement that its Board of Governors (the Board) directed all three divisions to consider appropriate rule changes in an effort to allow student-athletes to receive compensation for their name, image, and likeness (NIL) in the form of thirdparty endorsements. In doing so, the Board will also require certain guardrails such as continuing to ban pay-for-play and prohibiting the use of NIL for recruiting. Additionally, no college or university can be involved in paying student-athletes directly or in brokering third-party endorsements. As the NCAA wades into unchartered territory in approving NIL endorsements for student-athletes, use of these measures will help level the recruiting playing field amongst member institutions and provide studentathletes with the freedom to select a college of choice without added financial influence.

The NCAA also plans to engage Congress on efforts to create a unified approach to the regulation of NIL endorsements across the country, in part by creating a clear demarcation between college and professional athletes and addressing the need for federal legislation that preempts state laws on NIL.

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The Board's latest action comes in the midst of growing uncertainty surrounding how higher education will continue in the upcoming academic year as well as how collegiate sports will be played in the era of the Coronavirus pandemic. For now, the NCAA is trudging forward with plans to implement new NIL regulations no later than January 2021.

Stay tuned for more updates as we continue to track issues affecting higher education and collegiate athletics.

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