

Name, Image and Likeness FAOs

What is this conversation about?

This is about whether or not student-athletes can be compensated for use of their name, image or likeness (NIL) in promoting a product or business.

What is it not?

- "Pay for play," or paying student-athletes in some manner to compete
- Considering student-athletes to be employees of the college
- "Cost of attendance" scholarships (scholarship values in excess of tuition + room/board)
- Sharing athletic department profits with student-athletes
- Taxing student-athletes' scholarships

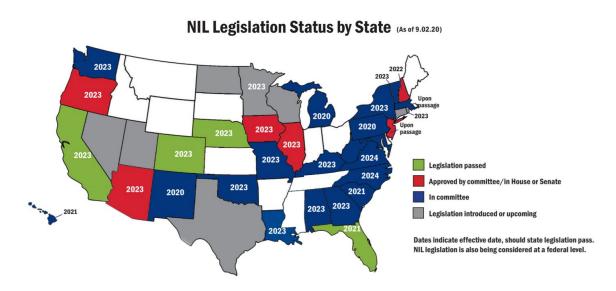
Where is this all coming from?

The Fair Pay to Play Act was passed into California law on Sept. 30, 2019 and will allow student-athletes at California colleges to promote products and earn money from endorsement deals (and can hire agents to help them do so) beginning in 2023. Under the law, schools, conferences and athletic associations (like the NAIA) are forced to allow students in California to take advantage of these opportunities.

Why is this a big deal?

California's Fair Pay to Play Act supersedes NCAA and NAIA rules that a student-athlete can't receive endorsement deals or accept payment for the use of NIL. Therefore, while a student-athlete will be able to legally earn money related to his/her athletic ability, it still currently violates NCAA and NAIA bylaws. The NAIA's stance is to find common ground so that our California institutions can remain members of our association.

While California is the only state to pass an NIL bill into law so far, similar legislation is being considered in at least 20 other states. There is also some discussion at the federal level.



If this is only about name, image and likeness, why do the headlines include so many other topics?

This topic could mark a significant change in college athletics as we know it. That means there are lots of people and organizations with conflicting interests, and who are using the media to push different agendas. The result is a lot of confusing and misleading information in the headlines.

What does this mean for the NAIA?

It's impossible to say what the actual impact will be. And the reality is, the impact for NCAA DI athletics will be different – and more significant – than it will for the NAIA. But it's important to know that not all change in the area of amateurism is disruptive. The NAIA has actually changed amateurism rules to loosen them up in recent years, with positive outcomes:

- 1. Allowing NAIA student-athletes to receive compensation for use of their name, image or likeness as long as neither their institution not student-athlete status is referenced (2014).
- 2. Increased deference to sport governing body amateurism standards (rather than NAIA standards) for prospective and current NAIA student-athletes not representing their school (2015 and 2016).
- 3. Increasing the value of "awards of a personal nature" a student-athlete may receive (2019).

How has the NAIA been positioning itself on this topic?

The National Coordinating Committee (NCC) is the NAIA body that oversees amateurism, and is comprised of ADs, conference commissioners, FARs and an athletic trainer. The NCC has been reviewing NAIA amateurism since March, and – independent of any activity in California – was self-selecting the area of name, image and likeness as a key area for revision. The NCC has been evaluating different aspects of this conversation, including opportunities available to students, procedural approaches and tracking mechanisms, and impact to schools, students, recruits and donors.

What is the ASA's role?

The ASA's voice is critically important in this conversation to ensure we are considering the impact of NIL restrictions from the perspective of student-athletes. As such, the ASA has an opportunity to help shape the NAIA's approach to the NIL conversation. The NCC has been shepherding this conversation so far, and wants to engage the ASA to illuminate the potential impacts and opportunities for student-athletes.

What will happen next?

Unfortunately, nobody really knows. State legislators, public opinion and the NAIA/NCAA are all simultaneously discussing possible next steps. All we can control is what the NAIA's response is, with two goals in mind: ensure we position NAIA schools to comply with various state laws, and shape NAIA rules to best benefit our students and schools.

So what are our options?

As California and other states compel colleges/associations to allow students to receive NIL compensation, the NAIA will need to find a way to make state laws and NAIA rules compatible. Options discussed to date:

- 1. Maintain NAIA rules and require compliance, providing exception to follow state law if required.
- 2. Change NAIA rules to keep requirements consistent for all schools nationwide.

Pros to allowing student-athletes to profit from their name, image or likeness:

- Student-athletes would be able to take advantage of the same opportunities currently available to non-athletes.
- State law changes will force us to allow leniency in at least some states. Changing NAIA rules
 will allow us to maintain consistency across the board, and avoid having to apply 20+ different
 standards.
 - Example: The WHAC conference has schools in Indiana, Ohio and Michigan. Three sets
 of rules could be applied within the WHAC: Michigan state law, Ohio state law and
 NAIA rules in Indiana.
- The NAIA would make history as the leader in reshaping student-athlete amateurism rules in ways that give more rights back to student-athletes.
- In the NAIA, very few students receive a full ride, and even that does not cover all of a student's expenses. Allowing NIL compensation would give students more opportunity to try to close that gap.

Cons to allowing student-athletes to profit from their name, image or likeness:

- Some schools might have a better ability to engage local businesses in providing studentathlete endorsement opportunities, which could create a recruiting advantage for those schools.
- Endorsement opportunities would likely not necessarily be identical across sports, or even within a given team.
- Because this hasn't been done before in collegiate athletics, we don't know exactly how it may
 impact teams or schools, including financially.
- There are surely questions we haven't thought of and therefore haven't answered.