

HOUSE ENERGY AND COMMERCE SUBCOMMITTEE CONSIDERS NIL REFORMS

EXECUTIVE SUMMARY

Today, the House Energy and Commerce Innovation, Data, and Commerce Subcommittee held a [hearing](#) entitled “Taking the Buzzer Beater to the Bank: Protecting College Athletes’ NIL Dealmaking Rights.” The discussion focused on possible reforms to the name, image and likeness (NIL) policy for college athletics to address differing rules across various states and entities that negatively impact some athletes. The witnesses provided an overview of the current state of NIL rules and offered suggestions for potential legislation.

While the panel and all witnesses agreed on the need for uniform NIL standards, there was not a consensus on what this framework should include. Notably, there were differing opinions on whether: (1) all levels of college athletics and types of sports should be subject to certain provisions; and (2) athletic departments should engage in revenue sharing across all sports programs, among other issues. Aside from NIL-specific policy issues, committee members and witnesses also discussed reforms to other aspects of college sports, including expanding protections for player health and collective bargaining among individual sports teams.

OPENING STATEMENTS

Subcommittee Chair Gus Bilirakis (R-FL) highlighted that the Supreme Court has already settled the debate on whether to allow NIL deals for college athletes, so now Congress must regulate the process to ensure it is “transparent and fair.” He noted the need to ensure there is no negative impact on recruiting efforts along with equitable capital distribution across college athletics — especially as it impacts sports at smaller academic institutions. Chair Bilirakis added that it is imperative that student athletes remain committed to being students as they are required to register as employees under certain NIL policies. The Chair also stated that it is critical to establish a uniform NIL policy across all states and institutions to protect college athletes who receive NIL compensation as well as those who do not

Subcommittee Ranking Member Jan Schakowsky (D-IL) commented that college sports impact every congressional district and also generate a significant amount of wealth as she expressed support for athletes to receive their “fair share” of profits. Ranking Member Schakowsky supported past efforts by Northwestern University football players to unionize. The Ranking Member agreed that uniform standards are necessary for college athletics and provided the example that the

National Collegiate Athletic Association's (NCAA) requires all athletes to maintain health insurance coverage, but not all institutions require coverage and fail to provide adequate insurance options.

Full Committee Chair Cathy McMorris Rodgers (R-WA) emphasized that Congress must develop uniform NIL policies to address conflicting rules implemented by states and institutions, adding that more needs to be done to support non-revenue generating sports and Title IX protections for women athletes. While the Chair said that the launch of NIL deals was "long overdue," she acknowledged the need for more consistent regulations of the practice.

Full Committee Ranking Member Frank Pallone (D-NJ) affirmed that NIL reforms are needed, and Congress should also pass legislation to help college athletes more broadly in areas such as player health, safety, and equity.

Rep. Lori Trahan (D-MA) briefly shared her experience as a Division I athlete and stated that it is still difficult for college athletes to navigate NIL rules along with other recruiting and scholarship issues. She urged Congress to develop legislation to address these broader issues not directly related to NIL rights.

WITNESS TESTIMONY

Ms. Jennifer Heppel ([testimony](#)), Commissioner of the NCAA's Patriot League, shared that student athletes in the Patriot League are able to balance the opportunities and responsibilities provided by both roles well. She acknowledged that the conference supports NIL policies but warned that the current state of the issue with conflicting rules is difficult for student athletes to navigate. Ms. Heppel highlighted that reforms to NIL must provide uniform regulations and protect the educational opportunities offered to student athletes along with their sports' responsibilities.

Dr. Makola M. Abdullah ([testimony](#)), Ph.D., President of Virginia State University (VSU), noted that VSU athletics are not a major revenue generator, as they are part of Division II sports. He explained that NIL policies are beneficial to students and VSU provides financial literacy education to recipients of profits, but not every institution does the same. Dr. Abdullah concluded by saying that federal regulation of NIL policies would help ensure athletes receive the support that they need in securing opportunities for funds.

Mr. Trey Burton ([testimony](#)), a former National Football League (NFL) player, commented that NIL policies would have benefited him during his collegiate career. He stated that even though he had the opportunity to play professionally, not every student athlete has the same chance. Mr. Burton acknowledged that NIL has provided a positive impact to student athletes and their families, but further regulations are needed to prevent "pay-for-play" situations and support smaller institutions.

Ms. Kaley Mudge ([testimony](#)), a student athlete at Florida State University (FSU), explained that NIL has provided opportunities as a partial-scholarship athlete to pay for college and save funding for graduate school. She noted that FSU has developed financial literacy and contract review courses for

NIL recipients that have helped them navigate the process, and it is important for other institutions to do the same. Ms. Mudge emphasized that national NIL standards are critical for expanding opportunities to more student athletes and preserving Title IX protections.

Mr. Pat Chun ([testimony](#)), Director of Athletics at Washington State University (WSU), described his experience serving on a NCAA panel that provided recommendations for improved player safety and greater equity among student athletes. He spoke against state proposals for classifying student athletes as employees. Mr. Chun agreed with other witnesses NIL policies hold the potential to benefit student athletes but said that reforms are needed to protect students from agents offering false promises of benefits.

Dr. Jason Stahl ([testimony](#)), Ph.D., Executive Director and Founder of the College Football Players Association (CFBPA), spoke in support of NIL policies and emphasized the need for uniform rules to protect players. He shared CFBPA's proposed reforms to college football, which include: (1) CFBPA representatives at the bargaining table debating any changes to college football including, but not limited to, transfer portal regulations, NIL and expansion of the college football playoffs; (2) Guaranteed independent medical care enforced by a CFBPA-employed full-time employee representative; (3) healthier practices similar to the NFL and Ivy League football enforced by a CFBPA-employed full-time employee representative; (4) Post-football health protections; (5) A real off-season; (6) a percentage of big money media rights revenue contracts for the players whose name, image, and likeness are used in that media; and (7) competitive group NIL deals for college football players, facilitated by the CFBPA.

DISCUSSION AND QUESTIONS

Current State of NIL Rules

- Chair Bilirakis asked Mr. Burton and Ms. Mudge how NIL benefited or would have benefited their collegiate athletics careers. Mr. Burton shared that he got married and had his first child while still a junior in college, so additional income would have helped him start his family. Mr. Burton was also injured in his final collegiate game and was uncertain whether he would be able to play professionally, arguing that NIL profits could have provided more financial security. Ms. Mudge added that NIL has provided a source of funds to enter nursing school after college. She stated that the current student athlete model works well and NIL helps supplement athletes in non-revenue sports.
- **Rep. Larry Bucshon (R-IN)** asked if smaller institutions currently have the same NIL opportunities as larger athletic programs. Dr. Abdullah noted that VSU can compete on the NIL market, but it does not have the same opportunities as larger programs. Ms. Heppel emphasized that all student athletes should have the same opportunities for NIL benefits.
- Rep. Trahan asked if there are examples of athletic departments “colluding” with NIL collectives for recruiting inducements, to which Mr. Chun and Dr. Stahl both responded that they are unaware of such situations.

- **Rep. Debbie Lesko (R-AZ)** asked if there are examples of certain states having advantages over others regarding existing NIL policies. Mr. Chun shared that Washington does not have NIL laws, so NIL is governed by state ethics laws that create a disadvantage compared to states with specific NIL regulations.

Reps. Rick Allen (R-GA) and **Buddy Carter (R-GA)** discussed the impact of NIL opportunities on student athletes transferring schools to find better endorsement deals. Mr. Chun and Dr. Abdullah agreed that it is the current NIL process is contributing to this dynamic.

Potential NIL Reforms

- **Rep. Kathy Castor (D-FL)** argued that NIL policies must support Title IX anti-discrimination protections and asked if women student athletes currently have the same NIL opportunities as men. Ms. Heppel and Dr. Abdullah agreed that there is not currently enough transparency under existing policies to determine the equity of NIL, noting that most institutions only have voluntary profit reporting. Ms. Mudge added that federal NIL legislation that incorporates transparency could make it easier for athletes to compare opportunities at different schools.
- Chair McMorris Rodgers inquired about how colleges and universities are guiding students on how to approach NIL deals. Mr. Chun shared that WSU offers programs to inform student athletes on financial literacy and other elements of the process. He noted that the school is limited in its work by Washington State ethics laws, so a federal standard would be helpful. Dr. Abdullah explained that VSU does not have the same resources to offer its student athletes, nor does it have an NIL collective for students to collaborate on the same types of opportunities provided to Division I schools.
- **Rep. Lisa Blunt Rochester (D-DE)** questioned what provisions should be included in federal NIL legislation to support HBCUs and other underrepresented academic institutions. Dr. Abdullah shared that increasing transparency would support student athletes navigating NIL deals and education opportunities. He added that Division II schools and HBCUs regardless of Division are at a competitive disadvantage but providing more NIL disclosures can level the playing field.
- In response to a query from **Rep. Jeff Duncan (R-SC)** regarding the necessary provisions for a federal NIL rule, Ms. Heppel explained that NIL deals should not be used for recruiting inducement and “pay-for-play” situations, but it is unclear what needs to be included in broader regulation.
- **Rep. Neal Dunn (R-FL)** questioned the potential impacts of athletic booster donations directly to NIL collectives instead of to athletic departments. Mr. Chun shared that it is beneficial to student athletes to directly receive funds, but it is important that collectives distribute funds equitably. Mr. Chun also warned of recruiting inducement as a potential negative impact of this.
- **Rep. Diana Harshbarger (R-TN)** questioned whether the witnesses support revenue sharing from NIL deals across sports teams. All witnesses except for Dr. Stahl opposed revenue sharing out of concerns that it would impact amateur status for athletes.

- **Rep. Kat Cammack (R-FL)** questioned whether NIL deals should be allowed during athletes' seasons as well as during their respective offseasons. Ms. Mudge, Mr. Burton, and Dr. Abdullah all answered in the affirmative.
- In response to a question from **Rep. Russ Fulcher (R-ID)**, Dr. Abdullah and Mr. Chun both acknowledged that more transparency on NIL rules would be helpful for student athletes engaging with agents.
- **Rep. August Pfluger (R-TX)** inquired about ways that the service academies differ from other academic institutions regarding NIL opportunities. Ms. Heppel noted that cadets at the service academies are classified as federal employees, so their relationship with athletics is unique. She did not elaborate on implications for NIL.

Broader College Athletics Issues

- Ranking Member Schakowsky and **Rep. Darren Soto (D-FL)** questioned how the college athletics system could improve player health and safety. Dr. Stahl explained that sports practices are generally unregulated and subject to the coaches of individual teams, adding that allowing CFBPA representatives to monitor practices could help address injuries. He also said that expanding post-playing career health protections would provide greater financial certainty for athletes — especially for brain injuries that may not be diagnosed until long after graduation.
- Ranking Member Schakowsky asked if allowing collective bargaining for certain sports teams would be beneficial to student athletes. Dr. Stahl answered in the affirmative but stated that collective bargaining could take shape in several different types of forms. He said that formal collective bargaining through unions would be helpful for the highest earning programs in Division I, however, voluntary collective bargaining would support athletes at smaller institutions and within non-revenue sports.
- **Rep. Tim Wahlberg (R-MI)** asked why many institutions oppose the classification of student athletes as employees. Ms. Heppel and Dr. Abdullah noted that student athletes benefit from educational opportunities while also competing in sports. Therefore, it is not a typical employer-employee relationship and should not be treated as such, they argued.
- Rep. Wahlberg also questioned whether student athletes should be allowed to unionize if it jeopardizes their amateur status. Dr. Stahl commented that CFBPA members have different goals that vary by their institutions — some support unionization and some do not — but his organization assists them through that decision process.
- In response to questioning from **Rep. Yvette Clarke (D-NY)**, Mr. Chun stated that academics remain the primary goal from college athletics but acknowledged that the NCAA business model is “flawed” and not every institution has the same opportunities for their student athletes. Dr. Stahl argued that student athletes still do not have the same academic opportunities as other students.
- **Rep. Tony Cárdenas (D-CA)** expressed support for allowing student athletes to unionize.