

Federal Court Grants Final Approval of Historic College Athlete NIL

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On June 6, 2025, Judge Claudia Wilken of the U.S. District Court for the Northern District of California granted final approval of a landmark \$2.576 billion class action settlement in *In re College Athlete NIL Litigation (formerly House v. NCAA)*, resolving antitrust claims brought by current and former Division I student-athletes against the NCAA and several major athletic conferences.

The settlement will compensate student-athletes who were previously barred from receiving compensation for the use of their name, image, and likeness (NIL) and athletic services. In addition to monetary relief, the settlement ushers in significant changes to NCAA rules, allowing for the first time in its history for Division I schools to directly share athletic revenue with student-athletes and to eliminate scholarship limits.

The Court found the settlement fair, reasonable, and adequate, noting that it will result in transformative benefits for college athletes, both through substantial financial compensation and new avenues for future earnings. The settlement is expected to generate approximately \$1.6 billion annually in new compensation and benefits for Division I student-athletes over the next decade.

The Court also addressed the controversial roster limits imposed by the settlement agreement by requiring schools to use good-faith efforts to identify and exempt from the new roster limits, the student-athletes that were removed or would have been removed from the teams roster for the 2025-26 school year.

Enforcement of the new revenue-sharing system will be overseen by the independent College Sports Commission. Current and prospective college athletes are encouraged to visit collegesportscommission.org for more information on compliance requirements and available resources.

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PRACTICE AREAS

Arbitration & Mediation

Business Contracts

Business Law

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Name Image Likeness (NIL) Legal
Services Team

Sports Law

(Continued)

The Foster Swift Sports Law team will continue to monitor developments in this space as this historic settlement reshapes the landscape of college athletics. To assist student athletes, parents and businesses on how to leverage opportunities and reduce risk, Foster Swift has a Sports Talk podcast.

Each episode features special guests within the athletics world, giving their perspective on changes in NIL, how it has affected them and what they expect on the horizon. All episodes are available on Foster Swifts YouTube channel as well as Spotify.