



TEXAS TECH UNIVERSITY SYSTEM

Board of Regents™

Governor Greg Abbott
Office of the Texas Governor
P.O. Box 12428
Austin Texas 78711

Dear Governor Abbott:

On behalf of Texas Tech University (TTU), we seek your assistance in ensuring that TTU and all Texas universities can continue our proud tradition of leadership and excellence in college sports. In particular, we write regarding the Texas law governing name-image-and-likeness (NIL) agreements for student athletes enacted in 2021 (SB 1385), and amended in 2023 (HB 2804). *See* Tex. Educ. Code § 51.9246. TTU is grateful for the Texas NIL law, as it has allowed our student athletes to earn compensation from third parties for the use of the student athlete's name, image, and likeness, while also protecting the academic and athletic integrity of Texas universities. In short, the Texas NIL law has been a resounding success in guiding the transition of Texas universities into the NIL era of college athletics.

While only three years old, this new NIL era is already undergoing significant change. As you no doubt are aware, the NCAA and the major conferences have entered into a multi-billion dollar settlement of multiple lawsuits (NIL Settlement),¹ which will usher in fundamental changes to NIL agreements moving forward. In addition to authorizing \$2.7 billion in damages to be paid to former and current student athletes, the NIL Settlement authorizes each Division I university to share approximately an estimated \$20 million of annual athletic revenue with the university's student athletes by entering into NIL agreements directly with student athletes. The NIL Settlement has received preliminary approval from the court, with a final approval hearing set for April 7, 2025.

As a result, prospective student athletes who are currently being recruited by TTU and other Texas universities for the 2025-2026 academic year will be eligible to enter into these NIL agreements under the terms of the NIL Settlement and receive revenue share payments from the university where they are enrolled beginning July 1, 2025. The NIL Settlement makes clear that universities can enter into such NIL agreements with current *and prospective* student athletes. Moreover, the NCAA has stated it does not intend to enforce its current rules prohibiting NIL agreements between universities and prospective student athletes with respect to NIL agreements for the 2025-2026 academic year that comply with the terms of the NIL Settlement. Accordingly, the specific details of NIL agreements that universities choose to offer individual recruits are playing a critical role in the current recruitment of prospective student athletes subject to this new revenue-sharing regime, as well as recruitment and retention of current student athletes who are considering a transfer in the interim period. Indeed, high school student athletes from the Class of 2025, who will soon be making commitment decisions in the upcoming November and December signing periods, are likely to receive significant compensation under this new revenue-sharing regime.

¹ *In re: College Athlete NIL Litigation*, No. 4:20-CV-093919, United States District Court for the North District of California.

Unfortunately, Texas universities, including TTU, are currently limited in their ability to offer NIL agreements to 2025 recruits, and current student athletes under state law. Specifically, the Texas NIL law states that Texas universities may not “provide or solicit a prospective student athlete of an intercollegiate athletic program at the institution with compensation in relation to the prospective student athlete’s name, image, or likeness.” Tex. Educ. Code § 51.9246(c)(2). This law would appear to preclude Texas universities from making offers to 2025 recruits that include compensation pursuant to NIL agreements authorized by the NIL Settlement. However, universities in states that do not have such prohibitions are not precluded from making such offers. As a result, TTU and other Texas universities are severely limited in their ability to recruit student athletes, and Texas universities are likely to lose recruits to universities in states that do not have these restrictions.

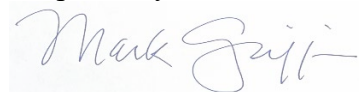
We fully anticipate that the current Texas law will be amended in the upcoming legislative session to make it clear that NIL agreements between Texas universities and their student athletes that comply with the NIL Settlement are not prohibited. In the interim, however, Texas universities are at a severe disadvantage in their inability to make contingent recruiting offers that include compensation related to future NIL agreements. Accordingly, we need your help.

On behalf of the TTU athletics program and for the benefit of the athletics programs at all Texas universities, we hereby request both guidance regarding application of the Texas NIL law in light of the NIL Settlement and assurance of non-enforcement of the Texas law. **In particular, TTU would be exceedingly grateful if you could clarify that providing or soliciting prospective student athletes and current student athletes with NIL agreements with terms beginning on July 1, 2025, would not lead to enforcement of the Texas law so long as such offers were (i) contingent upon final approval of the NIL Settlement; (ii) in compliance with the final terms of the NIL Settlement and related NCAA rules; and (iii) contingent upon amendment of the Texas NIL law to allow for such NIL agreements.**

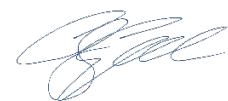
The universities across our great state and all of the alumni and fans deserve a level playing field to attract and retain the best student athletes to Texas. We fear that without such guidance and assurance of non-enforcement of the Texas law, Texas universities will be at a significant disadvantage in recruiting and retaining student athletes for our programs. Your support during this period will be critical in continuing the proud tradition of excellence and success within Texas college athletics.

We look forward to your response and thank you for your time and consideration.

Respectfully,



Mark Griffin, Chair, Texas Tech University System Board of Regents



Cody Campbell, Regent, Texas Tech University System Board of Regents