

Regulating Athlete Rights: A Comparative Analysis of Prohibited NIL Sponsorship Categories in State Statutes and Institutional Policies

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The emergence of name, image, and likeness (NIL) rights in college athletics created a complex legal environment where state statutes and institutional policies simultaneously govern athlete commercial activity. Although state laws served as the catalyst for NIL reform, a decentralized approach to NIL governance has allowed institutions to exert substantial authority in regulating college athlete sponsorship opportunities. This multilayered regulatory framework introduces significant legal and economic implications. The purpose of this study was to examine prohibited sponsorship categories found in state NIL statutes and institutional NIL policies, and to assess whether institutional restrictions exceed those mandated by state law. A qualitative content analysis of 32 active state NIL laws and 61 Power-4 institutional NIL policies revealed that only a minority of states prohibit NIL deals in certain product or service categories while most institutions adopt broader restrictions, including prohibitions on NIL sponsorship categories not mandated by state law. Overall, 64% of institutions imposed additional sponsorship category prohibitions beyond those required by state statutes. This suggests institutional policymakers, not state legislators, are the primary regulators of college athlete access to otherwise lawful commercial markets. These findings highlight the decentralized nature of NIL governance and bring about salient concerns related to commercial speech

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rights, equity and fairness standards, and institutional authority in the NIL era. This study concludes by offering policy recommendations aimed at promoting a more uniform and legally justifiable NIL regulatory landscape that prioritizes college athlete economic rights in a dynamic NIL industry.

Keywords: name, image, and likeness (NIL); college athletics; state NIL statutes; institutional NIL policies; comparative analysis, NCAA

Introduction

The onset of the name, image, and likeness (NIL) era in college athletics represents one of the most transformative legal, policy, and economic developments in the history of college sport. For decades, the National Collegiate Athletic Association (NCAA) enforced bylaws that prohibited college athletes from monetizing their NIL due to the belief such activities would erode amateurism logics and threaten the economic foundation of intercollegiate sport (Holden et al., 2022; Southall et al., 2023). These restrictions endured despite criticisms that the amateur “student-athlete” model exacerbated inequities by protecting institutional interests at the expense of college athletes’ legal and economic rights (Ehrlich & Ternes, 2021; Harry, 2023).

These long-standing NIL rights restrictions were upended in 2021 amid a wave of athlete advocacy efforts, federal antitrust case outcomes, and new state-level legislation (Jessop et al., 2023; Saxon, 2024). Between September 2019 and June 2021, nearly half the states across the United States had enacted NIL reform laws (Zimmerman, 2023). This compelled the NCAA to suspend its previous NIL-related bylaws and adopt temporary guidelines permitting college athletes to monetize their NIL through commercial activities (NCAA, 2021). Since its inception, the NIL economy has grown into a multibillion-dollar industry. Opendorse (2025) estimates college athletes collectively received approximately \$2.2 billion from NIL deals during the 2024-2025 academic year, representing a 150% growth in earnings since the initial year of the NIL era. This figure is set to rise substantially in coming years due to the implementation of revenue-sharing payments provided by the *House v. NCAA* settlement (Opendorse, 2025).

However, despite this rapid expansion of the NIL economy, the legal and policy environment surrounding NIL in college athletics remains fragmented and inconsistent. College athlete NIL rights are governed by a patchwork of state laws, institutional policies, and NCAA guidelines that can vary substantially in both substance and scope (Moorman & Cocco, 2023; Wiley et al., in press). This fragmented environment is a direct consequence of the NCAA’s reactive approach to NIL policy change, leading to a reliance on state legislatures and individual institutions to fill the regulatory void (Holden et al., 2022; Jessop et al., 2023). As a result, a college athlete’s ability to pursue NIL opportunities differs based on the institution they



attend or the state in which the institution operates. These variations create significant concerns related to equity, fairness, transparency, economic rights protections, and the overarching power of institutional authority in college athletics.

Among the most tangible and perhaps consequential forms of this disparate NIL rights framework are prohibited NIL sponsorship categories. These prohibitions include explicit bans on NIL deals involving certain types of products or services, such as controlled substances, firearms, and adult entertainment. Although these prohibitions are often labeled as “reasonable restrictions” intended to align with institutional values or other state laws (Zimmerman, 2023), they also operate as direct limitations on college athletes’ economic freedom. Prior research has confirmed state NIL laws restricting college athlete partnerships with “vice” industries, including tobacco, alcohol, cannabis, and gambling, are not consistently justified or applied (Czekanski & Siegrist, 2024; Zimmerman, 2023). These prohibitions determine which industries an athlete or industry partner may consider for NIL endorsement deals, limit the scope of market access, and, therefore, may adversely affect an athlete’s ability to optimize their personal brand value.

From a legal standpoint, such restrictions on endorsement activities may spur legal issues related to the conflict between institutional autonomy and individual economic rights. Notably, NIL prohibitions may violate First Amendment protections for commercial speech, particularly when applied to college athletes at public institutions (Saxon, 2024; Zimmerman, 2023). Ehrlich and Ternes (2021) further suggest content-based prohibitions, especially those labeled as contrary to vaguely defined “institutional values,” serve as overly broad restraints on speech and are unlikely to satisfy constitutional requirements related to commercial speech.

Prior research on the varied nature of NIL regulatory frameworks has mostly focused on state-level NIL legislation and its implications on college athlete rights. For example, Moorman and Cocco (2023) examined “conflict language” across state NIL laws, illustrating how significant disparities in contractual restraints influence NIL opportunities for college athletes. Similarly, LeRoy (2023) assessed differences in licensing and trademark usage provisions, as well as time, place, and manner restrictions, found within these laws. Czekanski and Siegrist (2024) uncovered significant discrepancies across several areas of state NIL statutes, such as agency representation rules and NIL deal limitations. Wiley et al. (in press) provided a notable exception as they examined variations across institutional NIL policies related to the use of institutional marks, facilities, educational provisions, and disclosure requirements.

Collectively, this scholarship has produced valuable insights into the NIL legal and policy landscape. Yet, these studies focus on either state-level or institutional NIL restrictions, but not how these two layers of governance interact or vary. To date, no prior literature exists that systematically compares state-level NIL legislation



together with institutional NIL policies to identify if and how institutions impose additional NIL deal prohibitions that exceed legislative mandates. This type of analysis can provide broader insights into structural challenges created by decentralized NIL governance and the ways in which state laws and institutional policies interact to shape college athletes' economic rights.

Therefore, the purpose of this study was to conduct a comprehensive content analysis of prohibited sponsorship categories found within state NIL laws and institutional NIL policies, as well as assess the extent to which institutional NIL policies impose sponsorship restrictions beyond those required by state law. Through this analysis, we highlight how institutions further restrict the NIL rights of college athletes and illuminate the double-standard often present in policies related to college athlete sponsorship agreements compared to institutional level sponsorship deals.

Given this purpose, we utilized the following research questions to guide our study:

RQ1: What prohibited sponsorship categories exist in state-level NIL legislation?

RQ2: What prohibited sponsorship categories exist in institutional NIL policies?

RQ3: To what extent do institutional NIL policies impose additional prohibitions on NIL deals beyond those mandated by state law?

By addressing these research questions, this study contributes to the growing body of literature on NIL governance by examining how institutional policy choices adversely impact athlete economic rights and perpetuate inequities across college athletics. When institutions restrict NIL opportunities beyond what is mandated by law, it represents a choice to limit the economic rights of their athletes and diminish the potential value of their personal brand. Furthermore, when institutions restrict college athletes from engaging in NIL deals within certain product categories while simultaneously engaging in their own partnerships with companies in those industries, it exposes legal and ethical contradictions. This research forms an empirical basis for NIL policy reform discussions and conveys the need for NIL policies that prioritize athlete economic freedoms to meet the realities of a dynamic college sport NIL marketplace.

Literature Review

The introduction of NIL reform in college athletics involved the development and implementation of new legal and policy frameworks from several stakeholders. Most notably for the purposes of this research, that includes the NCAA, state legislatures, and institutional athletic departments. Therefore, this literature review outlines



historical milestones and relevant outcomes from each of these entities that have set the stage for the modern legal and economic environment surrounding NIL in college athletics.

NCAA NIL Policy Development

The NCAA historically maintained amateurism-based rules in its governance model, thereby prohibiting college athletes from monetizing their NIL through commercial activities (Czekanski & Siegrist, 2024). These restrictions were rationalized through ideological stances that positioned the amateur “student-athlete” as essential to preserving the educational priorities and economic foundation of intercollegiate athletics (Holden et al., 2022; Southall et al., 2023). However, the NCAA’s legal position on this issue began to erode as federal court case decisions, notably *O’Bannon v. NCAA* (2015) and *NCAA v. Alston* (2021), clearly signaled that NCAA restraints on college athlete NIL compensation were subject to antitrust scrutiny. These cases also reflected a trend of declining deference given to historical NCAA legal defenses built upon the principle of amateurism. When combined with the increasingly commercial nature of the NCAA’s enterprise (Holden et al., 2022; Jessop et al., 2023), this development placed the association under mounting legal pressure to modernize its policies.

Given the evolution of legal opinions on college athlete NIL rights, the NCAA established a working group in 2019 to explore potential NIL policy reform. Recommendations from the working group, framed as an effort to “modernize” NCAA bylaws, still maintained an emphasis on preserving amateurism and preventing “pay-for-play” arrangements (NCAA, 2019a, 2019b). These proposals included policies centered on institutional neutrality (e.g., schools not directly facilitating NIL deals), recruiting safeguards, and regulations on agents and boosters within college athlete NIL activities (NCAA, 2020).

While NCAA membership considered these recommendations, a disparate landscape of state-NIL legislation arose with contrasting degrees of restrictions, prohibitions, and permissibility for college athlete NIL activities (Czekanski & Siegrist, 2024; Zimmerman, 2023). Furthermore, ongoing legal cases, notably *NCAA v. Alston* (2021), prompted a fear that any restrictions placed upon college athlete NIL activities might run afoul of antitrust law (Jessop et al., 2023). Therefore, confronted with mounting legal risk and an increasingly untenable state law environment, the NCAA delayed and ultimately abandoned its vote on proposed NIL rule changes at its January 2021 convention (Berkowitz, 2021). This inaction set off a tumultuous period in college athletics. Over the subsequent months, the NCAA remained largely silent on NIL policy reform.

Finally, on June 21, 2021, the Supreme Court issued its decision in *NCAA v. Alston* (2021), which unanimously held that the NCAA’s amateurism arguments were



insufficient to justify restraints on athlete compensation. The concurring opinion also included scathing remarks related to the NCAA's historical business model. Finally, on June 30, 2021, just one day before the onset of the NIL era in college athletics, the NCAA adopted an interim NIL policy. The brief statement released by the association suspended prior NIL restrictions and allowed college athletes to monetize their NIL in accordance with applicable state law (NCAA, 2021). Critically, it also deferred substantial NIL regulatory authority to member institutions, permitting them to establish internal NIL policies at their discretion (NCAA, 2021). Thus, instead of providing a unified national standard, the NCAA effectively delegated NIL governance to state legislators and athletic departments.

The consequences of this approach continue to reverberate through college athletics as it has entered the era of NIL activities. In the absence of detailed NCAA policy, universities were permitted to interpret NIL compliance through their own unique lenses of institutional culture, risk tolerance, and local politics. Schools were given broad leeway to create policies that prioritized athlete empowerment or restricted NIL sponsorship deals at their own discretion. This environment of institutional discretion produced a landscape in which athlete NIL rights and economic opportunities were heavily reliant on the state and school in which they were situated (Moorman & Cocco, 2023; Wiley et al., in press).

Over the subsequent years, the NCAA has issued further NIL-related guidance in response to continued legal and public pressures. In October 2022, the NCAA clarified the role of institutional involvement in NIL activities, including NIL education, opportunity identification, and collaboration with third-party marketplaces (NCAA, 2022). In April 2024, the NCAA finally codified a permanent NIL policy in its bylaws, formally recognizing athlete representation rights, allowing schools to directly facilitate NIL deals, mandating disclosure of NIL deals exceeding \$600, and establishing a centralized NIL deal reporting database (NCAA, 2024). Following the *House v. NCAA* antitrust case settlement, the NCAA made further revisions in its 2025-2026 operating handbook related to direct institutional revenue-sharing and new restrictions on collective and booster involvement with NIL deals (NCAA, 2025).

The historical development of NIL policy by the NCAA represents a consistent pattern of reactive, rather than proactive, governance (Holden et al., 2022). This reactivity created the conditions under which state lawmakers and institutional decision-makers produced a fragmented NIL policy landscape, including the varied nature of prohibited NIL sponsorship categories seen at both the state and institutional levels.

State-Level NIL Legislation

The state-level movement toward NIL reform in college athletics began with California's landmark passage of Senate Bill (SB) 206, colloquially known as the



“Fair Pay to Play Act,” in September 2019 (Dwyer, 2019). This legislation effectively catalyzed a nationwide shift toward NIL deregulation and prompted other states to act in a similar fashion. By June 2021, 20 additional states passed NIL legislation, and 15 others had introduced an NIL-related bill into their legislatures (Moorman & Cocco, 2023), indicating well over half the country had enacted or was actively considering NIL reform. As of August 2025, 32 states maintained active NIL legislation and only six states (Alaska, Idaho, Indiana, North Dakota, South Dakota, and Wyoming) had neither passed nor proposed an NIL bill since California’s pioneering legislation in 2019 (Troutman Pepper Locke, 2025).

As state legislatures enacted NIL laws to fill the regulatory void created by the lack of NCAA guidance, influences of policy diffusion can be found across statutes (Berg & Chalip, 2013; Berg et al., 2023). For example, most laws align on core definitions and basic NIL rights afforded to college athletes, such as their right to receive NIL compensation without risking their athletic eligibility or athletic scholarship (Czekanski & Siegrist, 2024). Many include near-identical language affirming organizations may not prevent or restrict an athlete from receiving NIL compensation or signing endorsement agreements (Czekanski & Siegrist, 2024).

Yet, state-level NIL laws are, by and large, defined more by their differences and inconsistencies rather than their commonalities. In their review of state NIL statutes, Moorman and Cocco (2023) demonstrated that NIL laws vary substantially in how states restrain institutional conflicts with athlete NIL agreements, define a “team contract” in relation to potential NIL deal conflicts, and prescribe dispute resolution processes. For instance, some state statutes explicitly prohibit NIL deals that conflict with institutional contracts while others grant institutions permission to impose these prohibitions at their discretion. Additionally, Czekanski and Siegrist (2024) report on significant variation related to limitations imposed on NIL activities, required disclosure processes, and institutional NIL education requirements. Collectively, these discrepancies provide an uneven and often unclear NIL landscape for college athletes to navigate (Moorman & Cocco, 2023; Zimmerman, 2023).

In addition to these general discrepancies, state-level NIL laws vary to the degree in which they restrict college athlete NIL rights. LeRoy’s (2023) evaluation found that statutory restrictions placed within state NIL laws range from as few as four (New Mexico) to as many as 45 types of restrictions (Illinois). In certain cases, these restrictions restrain economic trade by limiting or complicating athletes’ access to valuable NIL opportunities (LeRoy, 2023). For example, the NIL law in Illinois places additional stipulations on the use of institutional marks in NIL deals, thereby potentially limiting the monetary value an athlete may derive through co-branded endorsements (Cocco et al., 2023).

The development of state NIL legislation also reflects the growing tensions between amateur and commercial logics in college athletics (Czekanski & Siegrist,



2024). Although state NIL laws expand college athlete economic rights, they often contain restrictions that mimic historical NCAA controls on commercial activities (Erber, 2023; Southall et al., 2023). These restrictions manifest in several ways, including bans on NIL deals involving certain sponsorship categories, such as alcohol, adult entertainment, and other “vice” industries, that reflect longstanding NCAA and institutional norms (Ehrlich & Ternes, 2021; Zimmerman, 2023).

As state-level legislative reform catalyzed the new NIL environment in college athletics, it also introduced new layers of economic restrictions through statutory limitations and language that directly shaped institutional NIL policy development (Czekanski & Siegrist, 2024; Moorman & Cocco, 2023). Many state statutes explicitly permit institutions to unilaterally impose additional NIL endorsement prohibitions beyond those required by law (Moorman & Cocco, 2023). Consequently, the regulatory frameworks developed in state NIL legislation lay the legal foundation for how institutions construct their own NIL sponsorship restrictions, even as institutions sometimes profit from identical sponsorship categories themselves.

Institutional NIL Policies

In the wake of state-level NIL deregulation and a lack of association-level guidance, NCAA member institutions were faced with the need to quickly craft their own internal NIL policies. Institutional policymakers were required to complete this task while balancing the competing aims of enhancing NIL opportunities and mitigating compliance risk in an environment full of legal ambiguity. This rapid and decentralized development of institutional NIL policies amid widespread uncertainty produced uneven and often contradictory policy approaches, which mirrored the dynamic found in state-level NIL legislation (Czekanski & Siegrist, 2024; LeRoy, 2023; Moorman & Cocco, 2023).

Wiley et al. (in press) highlighted that institutional NIL policies vary substantially across Power-4 programs, even among those within the same conference. Notable discrepancies were documented regarding the use of institutional marks, facility usage in NIL activities, disclosure requirements, and educational support. This lack of uniformity produces significant differences in the NIL opportunities available to college athletes. It also highlights how inconsistent NIL policy structures often mimic historical inequities embedded within NCAA governance and broader decision-making practices in college athletics (Corr et al., 2023; Harry, 2023).

The restrictions outlined in institutional NIL policies can have adverse effects on the economic opportunities and rights of college athletes. Policy language related to the use of institutional marks and logos in NIL activities aligns with broader university-level brand protection strategies (Kellison et al., 2016). However, unclear guidance or outright prohibitions on the use of institutional intellectual property



in NIL deals create limits on co-branding opportunities, which is a key factor in optimizing an athlete's NIL value (Cocco et al., 2023; Kunkel et al., 2021). These restrictions continue to reflect the hegemonic economic system of college athletics, whereby institutions exert control over revenue-generating assets and limit an athlete's ability to capitalize on their institutional affiliation (Harry, 2025; Southall et al., 2023). They also parallel restrictions present in other aspects of institutional NIL policies, including prohibitions on athlete endorsements within specific product or service categories.

Despite NIL policies contrasting in their approach and content, a consistent criticism levied upon them relates to concerns of fairness and equity (Saxon, 2024; Zimmerman, 2023). Although an initial goal of NIL policy development was to ensure equitable treatment between college athletes and the general student body (NCAA, 2019a), questions persist about whether that outcome has been achieved. Unlike the general student body, which may freely pursue endorsements, sponsorships, or brand partnerships so long as they comply with university conduct standards, college athletes are subject to distinct NIL prohibitions accompanied by enhanced institutional oversight. These differences reflect traditional power imbalances within college athletics and continue to reinforce the inequitable treatment of athletes as a unique group of students on campuses (Harry, 2023; Southall et al., 2023).

A further complication may arise due to the potential for some institutional NIL policies to prohibit athletes from partnering with companies in specific industries while institutions themselves maintain lucrative sponsorships, licensing agreements, academic partnerships, or conduct other revenue-generating activities centered on those same industries. These contradictions demonstrate the duality in how institutions prioritize brand protection and revenue generation over athlete economic rights (Southall et al., 2023; Wiley et al., in press). These issues highlight further concerns about fairness, equity, and power imbalances in college athletics. They also provide a foundation for evaluating institutional NIL policy choices, particularly as they relate to restrictions that exceed those required by state law.

Given the substantial variation in state-level NIL laws and institutional NIL policies exposed in prior research (Czekanski & Siegrist, 2024; Moorman & Cocco, 2023; Wiley et al., in press), a systematic comparison of prohibited sponsorship categories across these two regulatory mechanisms is needed. Since no prior study has evaluated these frameworks simultaneously, there is little clarity regarding how institutions impose additional NIL restrictions beyond those mandated by state statutes. These restrictions imply an institutional choice that directly impacts athlete rights, market access, and economic opportunities. Therefore, the present study employs a content analysis to address this gap. The following section outlines the research design, sampling procedures, and analytic techniques utilized.



Method

Research Design

The purpose of this study was to examine the presence of prohibited sponsorship categories found across state-level NIL laws and institutional NIL policies, thereby enabling a direct comparison of legally mandated and institutionally imposed restrictions. To address this purpose, we conducted a qualitative content analysis of NIL statutes and institutional NIL policies. A content analysis is well suited for systematically identifying and interpreting themes, patterns, and structural elements found in text-based documents (Hall & Wright, 2008; Stemler, 2000, 2015). Hall and Wright (2008) note this method is particularly effective for analyzing legal texts, including statutes and regulations. Additionally, Stemler (2015) mentions content analysis as a valuable tool for assessing policy creation and dissecting its rationale and implications for stakeholders. Given its utility, content analysis has been used to highlight thematic variations in prior research related to state-level NIL legislation (e.g., Cocco & Moorman, 2023) and institutional NIL policy (Wiley et al., in press), making it an appropriate approach for this study.

Sample and Data Collection

The content considered for analysis in this study included all 32 active state-level NIL statutes as of January 2025 and institutional NIL policies from Power-4 athletic departments. State NIL statutes were retrieved from the online legislative database LegiScan. Statutes were downloaded in their complete form and reviewed for specific language related to prohibited sponsorship categories.

Institutional NIL policies were collected directly from athletic department websites for schools competing in one of the Power-4 conferences, which include the Atlantic Coast Conference (ACC), Big Ten Conference (Big Ten), Big 12 Conference (Big XII), and Southeastern Conference (SEC). Institutions from these conferences were selected for analysis given the overwhelming portion of overall NIL compensation flows to athletes at these institutions (Opendorse, 2025). Therefore, restrictions placed upon NIL rights and activities would likely have the most notable impact on athletes at Power-4 conference institutions. If an institution maintained multiple NIL-related documents (e.g., athlete policy, booster guidelines, etc.), all materials were downloaded and reviewed to identify references to prohibited sponsorship categories.

Overall, NIL-related policy documents were obtained for 61 of the 68 institutions in Power-4 conferences. No institutional NIL policies were located for the following schools: Boston College, Cincinnati, Iowa State, Oregon, Penn State, University of Central Florida, and University of Washington. Power-4 institutions in states without an active NIL law were excluded from the state-institution comparison analysis but



were examined separately to identify potential patterns in restrictive institutional policy absent state-level mandates.

Coding and Data Analysis

To begin the analysis, state NIL statutes were reviewed and any explicitly identified prohibited sponsorship categories were noted. Using prior NIL research as a guide (e.g., Czekanski & Siegrist, 2024; Moorman & Cocco, 2023), the research team developed a codebook outlining all states with active NIL legislation and inductively added prohibited sponsorship categories to the codebook as they emerged during review of the legislative documents.

Following a review of state NIL legislation, institutional NIL policies were reviewed and coded using the same framework to identify prohibited sponsorship categories. The initial categories identified during a review of state-level NIL laws were preloaded into the codebook for institutional NIL policies, with any additional categories not uncovered at the state level added to the coding matrix as needed.

Finally, coding results from state NIL laws and institutional NIL policies were compared to determine where institutions imposed additional restrictions on their athletes beyond those mandated by state law. For each institution, the research team created a state-institution comparison table indicating whether the institutional NIL policy aligned with state law prohibitions or imposed additional prohibited sponsorship categories not required by state law. Institutions located in states without an NIL law or one in which the state law did not outline specific prohibited sponsorship categories were analyzed independently to identify cases where institutions adopted restrictions at their discretion.

Coding was conducted by two members of the research team. Both had prior experience with qualitative content analysis. Coders reviewed all state NIL statutes and institutional NIL policies separately and then compared outcomes. Any discrepancies were resolved through intercoder discussion until consensus was reached.

Results

The content analysis revealed substantial variation in the scope and specificity of prohibited sponsorship categories across state NIL laws and institutional NIL policies, as well as between restrictions mandated by state law and those imposed by institutions in those states. While relatively few states explicitly prohibit NIL deals within specific sponsorship categories, a vast majority of Power-4 institutions impose extensive sponsorship category prohibitions, and these often exceed what is mandated by state law.

The subsequent findings are organized around the study's three research questions and present information related to (a) prohibited sponsorship categories



identified in state NIL laws, (b) prohibited sponsorship categories identified in institutional NIL policies, and (c) the extent to which institutional prohibitions exceed those mandated by their state's legislation. Taken together, these results lend further credence to a fragmented and inconsistent regulatory framework surrounding college athlete NIL rights (Czekanski & Siegrist, 2024; LeRoy, 2023; Moorman & Cocco, 2023; Wiley et al., in press).

RQ1: What prohibited sponsorship categories exist in state-level NIL legislation?

Our analysis revealed only 10 out of 32 states (31.25%) outline specific prohibited sponsorship categories in their NIL laws. Although additional NIL rights restrictions appear in legislation enacted across the other 22 states (Moorman & Cocco, 2023), prohibited sponsorship categories are not among those restrictions.

Across the 10 states that do outline prohibited sponsorship categories, there are five commonly prohibited products or services. These include controlled substances, sports betting/gambling, adult entertainment, tobacco, and alcohol. As an illustrative example, Illinois's state NIL law (SB 2338), which prohibits NIL deals within all five of these categories, states in section 20, subsection (i),

(i) No student-athlete shall enter into a publicity rights agreement or receive compensation from a third party licensee for the endorsement or promotion of gambling, sports betting, controlled substances, cannabis, a tobacco or alcohol company, brand, or products, alternative or electronic nicotine product or delivery system, performance-enhancing supplements, adult entertainment, or any other product or service that is reasonably considered to be inconsistent with the values or mission of a postsecondary educational institution or that negatively impacts or reflects adversely on a postsecondary educational institution or its athletic programs, including, but not limited to, bringing about public disrepute, embarrassment, scandal, ridicule, or otherwise negatively impacting the reputation or the moral or ethical standards of the postsecondary educational institution. (SB 2338, 2021).

Table 1 presents full coding results from the 10 states that maintain active NIL legislation and explicitly prohibit certain sponsorship categories. A total of nine states prohibit tobacco, nicotine, or e-cigarettes, along with alcohol and adult entertainment. Meanwhile, 10 states prohibit endorsements of illegal, controlled, or banned substances along with sports betting or gambling. Lastly, a lesser number of states prohibit sponsorships involving marijuana (IL and MS), guns, weapons, or firearms (NJ, TX, UT, and VA), and prescription pharmaceuticals (NJ, PA, UT, and VA).

RQ2: What prohibited sponsorship categories exist in institutional NIL policies?

Although most states with active NIL legislation do not explicitly outline prohibited sponsorship categories, the vast majority of institutions do impose NIL policies



Table 1. Prohibited Sponsorship Categories in State NIL Legislation

Prohibited Sponsorship Categories	State Legislatures
Tobacco Products & E-Cigarettes	IL LA MS NJ OH PA TX UT VA
Alcohol Products	IL LA MS NJ OH PA TX UT VA
Illegal & Controlled Substances	IL KY LA MS NJ OH PA TX UT VA
Sports Betting & Gambling	IL KY LA MS NJ OH PA TX UT VA
Adult Entertainment	IL LA MS NJ OH PA TX UT VA
Marijuana/Cannabis	IL MS
Guns & Weapons	NJ TX UT VA
Prescription Pharmaceuticals	NJ PA UT VA

that limit the sponsorship opportunities of their athletes. Across the Power-4 landscape, only four institutions maintain an NIL policy that does not outline prohibited sponsorship categories (Cal, Colorado, Iowa, and UCLA). Meanwhile, 42 institutions ban endorsements of tobacco and e-cigarette products, 38 prohibit alcohol-related sponsorships, 32 limit NIL deals involving illegal drugs and controlled substances, 36 ban sports betting endorsements, 41 prohibit gambling sponsorships, and 42 restrict NIL deals involving adult entertainment. Table 2 provides a breakdown of this information by conference.

Table 2. Common Prohibited Sponsorship Categories in Institutional NIL Policies

Conference	Tobacco Products	Alcohol	Controlled Substances	Sports Betting	Gambling	Adult Entertainment
Big XII	9	10	5	8	8	10
Big Ten	10	7	9	7	7	9
ACC	10	9	10	12	12	11
SEC	13	12	8	9	14	12
Total	42	38	32	36	41	42

There are additional sponsorship categories in which institutions prohibit their athletes from participating in NIL deals that extend beyond those commonly outlined in state NIL laws. These include marijuana (26 institutional NIL policies), guns and



firearms (16), prescription pharmaceuticals (4), athletic recruiting services (3), higher education institutions (2), and artificial intelligence (1). Table 3 provides a breakdown of these additional prohibited sponsorship categories found within institutional NIL policies by conference.

Table 3. Other Prohibited Sponsorship Categories in Institutional NIL Policies

Conference	Marijuana	Guns, Firearms, & Weapons	Prescription Pharmaceutical Products	Athletic Recruiting Services	Artificial Intelligence
Big XII	6	6	1	1	0
Big Ten	6	2	0	1	0
ACC	7	4	2	1	0
SEC	7	4	1	0	1
Total	26	16	4	3	1

RQ3: To what extent do institutional NIL policies impose additional prohibitions on NIL deals beyond those mandated by state law?

When comparing prohibited NIL sponsorship categories across state legislation and institutional policies, it was revealed that most institutions (39 out of 61; 64%) imposed additional restrictions on their athletes beyond those mandated by state law. Eight schools (Duke, Indiana, Kansas, North Carolina State, Notre Dame, Purdue, UNC, and Wisconsin) prohibited NIL sponsorships across the five most common product or service “vice” categories (tobacco, alcohol, controlled substances, sports betting/gambling, and adult entertainment) despite there being no active NIL legislation in their state.

Meanwhile, 11 schools (Arizona, Florida, Florida State, Georgia, Georgia Tech, Miami, Missouri, Southern California, Stanford, Tennessee, and Vanderbilt) are located in a state with active NIL legislation that does not include prohibited NIL sponsorship categories. However, these schools made a policy choice to explicitly ban endorsements related to the five common product or service “vice” categories within their institutional NIL policies.

The remaining 20 institutions analyzed (33%) include prohibitions that exceed those mandated by state legislation and extend their prohibitions beyond the five common “vice” categories. Six states (Arizona, Arkansas, Maryland, Nebraska, New York, and Oklahoma) that have enacted NIL laws without prohibited sponsorship



categories outlined in those statutes contain schools that have decided to place additional sponsorship restrictions on their athletes. These schools include Arizona State, Arkansas, Maryland, Nebraska, Syracuse, Oklahoma, and Oklahoma State, all of which include prohibited NIL sponsorship categories that extend beyond the five common “vice” categories found within state laws and institutional policies.

Furthermore, Illinois, LSU, Louisville, Kentucky, Utah, and Virginia Tech are all located in states with NIL laws containing prohibited sponsorship categories. In addition to including these legislative prohibited categories in their institutional policies, they also, at their discretion, included additional prohibited sponsorship categories within their NIL policies. These additional restrictions include prohibitions on NIL deals or activities involving endorsement of marijuana, guns and weapons, prescription pharmaceuticals, higher education institutions, athletic recruiting services, and artificial intelligence.

Finally, Alabama, Auburn, Kansas State, Minnesota, Wake Forest, and West Virginia all have several sponsorship categories banned in their institutional NIL policy despite their states having no active NIL legislation. At each of these schools, the list of prohibited categories extends beyond the five common sponsorship restrictions found in state law and institutional policies. As an example, the following is outlined in the institutional NIL policy of West Virginia University:

WVU retains the right to disapprove any activity that promotes or otherwise references certain prohibited categories, including, but not limited to:

1. Illegal products or services;
2. Alcohol and tobacco products;
3. Gambling goods and services;
4. Substances on the NCAA Banned Substance List;
5. Activities that conflict with existing WVU exclusive sponsorship arrangements;
6. Sponsorships which conflict with WVU’s exclusive sponsorship entities – a complete list will be provided to the student-athlete upon request;
7. Firearms, explosives, or lethal weapons;
8. Adult entertainment and/or websites including explicit material;
9. Athletic recruiting services;
10. Activities which are, in WVU’s sole judgement, misleading, offensive, or in violation of a statute, law, ordinance, NCAA bylaw, or any University contract obligation (West Virginia University, 2025)

Table 4 presents a complete list of institutions that outline specific prohibited NIL sponsorship categories in their policies that extend beyond those mandated by



state law and beyond the commonly prohibited categories of tobacco, alcohol, controlled substances, sports betting/gambling, and adult entertainment.

Table 4. Institutional NIL Policies Extending Prohibited Sponsorship Categories Beyond State Law and Beyond Commonly Prohibited Categories

Arizona State					
Auburn					
Kentucky					
Louisville	Arizona State				
LSU	Arkansas				
Maryland	Illinois				
Nebraska	Kansas State				
Ohio State	Minnesota				
Oklahoma	Oklahoma	Arizona State			
Oklahoma State	Syracuse	Arkansas		Nebraska	
Syracuse	Wake Forest	Syracuse	Arizona State	Wake Forest	
Wake Forest	West Virginia	Wake Forest	Kentucky	West Virginia	Oklahoma
Marijuana	Guns & Weapons	Prescription Pharmaceuticals	Higher Ed Institutions	Athletic Recruiting Services	Artificial Intelligence

In each case, these institutions have restricted college athletes from accessing a potential NIL endorsement market and have done so at their own discretion as a policy choice. Furthermore, in some cases, the institutions prohibiting their athletes from participating in these endorsement opportunities are themselves profiting from commercial partnerships with companies in these categories.

Discussion

The results of this study demonstrate the NIL regulatory environment is one fraught with inconsistency and fragmentation across both the state laws and institutional policies. Although prohibited sponsorship categories vary among state-level NIL statutes, it is institutions that impose broader restrictions on college athlete NIL sponsorship opportunities. These restrictions are consistent with the historical



treatment of college athletes (Harry, 2023; Southall et al., 2023) and serve to limit their endorsement opportunities. They also bring about fairness and equity concerns related to double standards set by institutions and the unique treatment of college athletes relative to other adults in the same state. Thus, the following discussion situates these findings in the broader context of NIL governance, highlights specific legal and economic implications, suggests policy reform recommendations, and outlines avenues for future research on this topic.

Main Findings

The results of this study corroborate themes from prior research related to the deeply fragmented NIL policy landscape in college athletics (Czekanski & Siegrist, 2024; LeRoy, 2023; Moorman & Cocco, 2023; Wiley et al., in press). Popular discourse often attributes this fragmentation to the rapid adoption of state-level NIL legislation and a resulting “wild west” environment (Roberts, 2024). Yet, our findings demonstrate that institutional NIL policies, not state laws, serve as the more significant and consequential source of inconsistency and restriction on college athletes’ NIL rights, particularly as it pertains to prohibited NIL sponsorship agreements. Athletic department policies routinely impose additional limitations beyond those mandated by state law, thereby positioning institutions, not state legislatures, as the primary regulators of NIL market access.

Our analysis reveals that more than two-thirds of states with active NIL legislation do not explicitly outline prohibited sponsorship categories. Of the 10 state laws that do include such prohibitions, the majority focus on five main product types: tobacco, alcohol, illegal substances, sports betting/gambling, and adult entertainment. These categories generally align with longstanding public policy considerations and reflect predictable regulations (Berg et al., 2023; Zimmerman, 2023).

In contrast, institutional NIL policies display far greater variability and scope. Only four of the policies analyzed (6.5%) included no prohibited sponsorship categories and 64% of Power-4 institutions imposed broader restrictions than those required by state law. As demonstrated in Tables 2-4, institutions routinely tacked on multiple additional prohibited categories, thereby creating regulatory frameworks that diverge sharply between institutions, even those located in the same state. These additional prohibitions include bans on NIL deals involving firearms, prescription pharmaceuticals, athletic recruiting services, and artificial intelligence products. Thus, institutional policies, not state laws, account for most of the prohibited NIL sponsorship categories identified in this study.

This outcome is consistent with historical patterns in NCAA governance. Prior research documents the NCAA’s tendency to adopt a reactive approach and defer regulatory responsibilities to member institutions when faced with enhanced legal risk or uncertainty (Holden et al., 2022; Jessop et al., 2023). In the context of NIL



policy, this decentralized approach has enabled institutions to construct their own restrictive frameworks shaped by risk aversion, internal brand protection strategies, and historical governance norms (Corr et al., 2023; Harry, 2023; Kellison et al., 2016). The resulting uneven regulatory landscape contradicts the intended purpose of NIL reform to normalize athlete economic rights (NCAA, 2019a).

The findings from this study clearly suggest institutional policy-setters, not state legislators, are the primary architects of an inconsistent and variant NIL policy landscape. The presence of institutional NIL sponsorship restrictions beyond those mandated by state law shapes college athletes' commercial opportunities and reinforces concerns related to the legal, economic, and ethical consequences of a deregulated NIL marketplace (Erber, 2023; Saxon, 2024; Zimmerman, 2023). The following section discusses equity and fairness concerns related to unequal treatment and double standards set by institutional NIL policies in greater detail.

Equity and Fairness Concerns

Building on these main findings, the prohibitions found within NIL laws and policies introduce additional equity and fairness concerns, many of which stem from the uniquely restrictive regulatory environment imposed upon college athletes. A foundational aim of NIL reform was to align college athlete rights with those of the general student body (NCAA, 2019a). Yet, our findings demonstrate that institutional NIL policies routinely impose restrictions that apply exclusively to college athletes while the general student body is left relatively unrestricted to engage in influencer marketing, content creation, or brand partnership activities. Therefore, since NIL deregulation, college athletes have continued to be a distinctly regulated population within the university community (Harry, 2023; Southall et al., 2023).

Furthermore, equity and fairness concerns arise from the selective application of sponsorship restrictions to college athletes but not to other adults residing in the same state. As evident in our analysis and prior research (e.g., Czekanski & Siegrist, 2024; Zimmerman, 2023), several state NIL laws prohibit college athletes from signing deals with companies in the alcohol, sports betting, and prescription pharmaceutical industries. Yet, these commercial partnerships are fully legal for all other adults in that jurisdiction, including professional athletes, social media influencers, and non-athlete students. Zimmerman (2023) notes this effectively creates a separate regulatory class for college athletes where they are the only adults in a state banned from engaging in otherwise lawful commercial partnerships. This treatment suggests a clear and concerning choice by lawmakers to treat the economic rights of college athletes differently than other adults residing within the same legal jurisdiction.

Additional equity and fairness concerns stem from institutional contradictions and double standards related to acceptable commercial practices. Many institutions prohibit athletes from signing NIL deals with a wide variety of “vice” industries



(Zimmerman, 2023), while simultaneously engaging in lucrative sponsorships, licensing arrangements, and educational partnerships involving those same industries. There are dozens of examples that may be highlighted to reinforce these contradictions. Texas Tech University entered into a sponsorship agreement with Two Docs Brewing Company to launch the “official NIL beer” of Texas Tech Athletics (Texas Tech, 2024) despite prohibiting its athletes from engaging in NIL deals with alcohol companies. The University of Maryland offers the opportunity for its students to earn a Master of Science in Medical Cannabis Therapeutics (University of Maryland, n.d.) while simultaneously banning its athletes from engaging in sponsorship deals with cannabis products. At West Virginia University, athletes can participate on the school’s rifle team while being prohibited from engaging in an NIL sponsorship deal with a firearms company.

Erber (2023) notes these contradictions reflect historical patterns of institutions restricting athlete access to revenue streams that they themselves capitalize upon. Furthermore, these inconsistencies expose a persistent tension where institutions prioritize revenue generation and brand protection above athlete economic freedoms (Southall et al., 2023; Zimmerman, 2023). Institutions have broad discretion to create NIL policies with a clear double standard, where certain prohibited NIL categories are justified as ethically responsible while the institution itself profits from licensing or associating its brand with these industries deemed inappropriate for athletes. This duality provides an inherent inequity related to espousing moral or reputational standards for athlete NIL deals while disregarding those standards when it comes to financial gain for the institution.

Legal and Economic Implications

The findings of this study reveal that prohibited NIL sponsorship categories have consequential legal and economic implications related to the NIL rights of college athletes. Legally, these restrictions relate to concerns regarding commercial speech rights and potential antitrust exposure. Economically, these restrictions impact the NIL industry by limiting access to certain markets and potentially influencing NIL opportunities across sport programs and geographies. These implications suggest the impact of policy choices extend beyond just the creation of a fragmented NIL regulatory environment (Jessop et al., 2023; Moorman & Cocco, 2023) by meaningfully altering the legal protections and economic opportunities available to college athletes. The following sections provide greater depth on these issues.

Legal Implications

One of the most significant legal implications surrounding this topic involves potential conflicts between prohibited NIL sponsorship categories and the First Amendment rights of college athletes, particularly those at public institutions that operate as state actors. At public institutions, NIL restrictions effectively serve as state action and



limitations on the industries with which athletes can partner may represent direct restrictions on commercial speech. Ehrlich and Ternes (2021) argue broad content-based restrictions centered on vague concerns for “institutional values,” morality, or reputational risk are unlikely to satisfy constitutional scrutiny. Yet, many NIL restrictions identified in the present study, such as general bans on endorsements of alcohol, firearms, or prescription pharmaceutical products, do not clearly outline a substantial or narrowly tailored rationale (Saxon, 2024; Zimmerman, 2023).

Therefore, NIL prohibitions may serve as overbroad or impermissible prior restraints, which are generally disfavored under First Amendment doctrine (Ehrlich & Ternes, 2021). This issue becomes more apparent when considering the equity and fairness concerns outlined in the previous section. Prohibited sponsorship categories that extend restrictions beyond those placed on other adults in the same state may undermine their constitutional justification (Zimmerman, 2023). A state law that allows adults to legally promote certain products while placing targeted restrictions on college athletes from doing so may appear inconsistent and unconstitutional. Furthermore, Saxon (2024) notes that public universities may not impose more restrictive speech limitations on students simply because they participate in extracurricular activities. When an institution permits non-athlete students from engaging in a particular form of commercial expression while prohibiting athletes from doing so, it may create an unconstitutional disparity in access to protected speech. Additionally, when institutions prohibit athletes from engaging in certain types of sponsorships that they actively profit from, the inconsistency of those actions weakens the argument that those restrictions are necessary or defensible (Zimmerman, 2023).

In addition to First Amendment conflicts, prohibited sponsorship categories raise notable antitrust concerns. LeRoy (2023) argues that overly restrictive NIL limitations, especially when implemented across similar institutions, may function as an unreasonable restraint on trade by artificially constraining access to endorsement markets. Although the present study found institutional NIL policy prohibitions were varied, certain product categories, such as alcohol, adult entertainment, cannabis, and firearms, were adopted widely without clear justification. These restrictions may significantly impede NIL market access and could be seen as agreements among competing buyers of athlete services, especially when institutions operate within the same Power-4 conference economic system (LeRoy, 2023). This antitrust risk may be heightened by the NCAA’s historical pattern of institutional deference during periods of legal uncertainty (Holden et al., 2022; Jessop et al., 2023), indicating collective institutional NIL policy restrictions are emblematic of anticompetitive practices rather than independent institutional choices.

Economic Implications

Prohibited NIL sponsorship categories also have meaningful economic consequences for college athletes. These consequences are particularly salient given the importance



of social media influencer marketing activities within the NIL marketplace (Cocco et al., 2023). Industries such as alcohol and gambling have become key users of influencer marketing strategies (Anastasov, 2025; de Carvalho, 2023). Yet, many institutional NIL policies prohibit college athlete endorsements of these product categories, even in states where the activity is not banned by statute (Czekanski & Siegrist, 2024; Zimmerman, 2023). Therefore, these restrictions artificially deflate available NIL opportunities.

There is also the possibility that these prohibitions could exacerbate economic inequities for non-revenue and niche market athletes. Athletes in non-revenue sports have a much smaller economic footprint in the NIL marketplace compared to football, men's basketball, and women's basketball athletes (Opendorse, 2025). Therefore, niche NIL market opportunities become more valuable to non-revenue sport athletes. An athlete on a school's rifle team, for example, may have a personal brand identity built around firearms and hunting. An athlete on a school's cross-country team may benefit from certain recovery supplements. However, if these athletes compete at an institution that prohibits NIL deals in these categories, they could lose out on economic opportunities to align their personal brand with relevant corporate sponsors through endorsement contracts. This concern correlates with prior research regarding unequal access to commercial markets and inequities in NIL earning potential (Harry, 2025; LeRoy, 2023).

Policy Recommendations

There are several opportunities to improve NIL governance in a manner that enhances fairness while expanding economic opportunity for college athletes. Since most NIL sponsorship category prohibitions exist at the institutional level, a focus on policy reform should begin here. First, institutions should ensure any prohibited sponsorship categories align with mandates established in state NIL law, where applicable. Institutions located in states without NIL sponsorship category prohibitions, or those that exceed state-level requirements, should evaluate whether those restrictions are legally necessary or truly serve a risk aversion or brand protection strategy (Southall et al., 2023). In the absence of a compelling rationale, institutions should refrain from imposing additional NIL sponsorship restrictions on its athletes and instead allow them to participate in lawful sponsorship markets. Institutions should also seek to increase transparency surrounding their NIL policies by publishing specific, narrowly tailored justifications for any restrictions (Ehrlich & Ternes, 2021). This type of transparency would help promote consistency across institutions and remove some of the unclarity surrounding the NIL economy.

At the NCAA level, there is a greater need for structure and coherence in its approach to NIL governance. The association's decentralized model has produced significant variations in NIL restrictions, inconsistent institutional interpretations



of permissible activities, and more legal uncertainty. The NCAA could establish baseline standards for institutional NIL policies, including clear definitions of prohibited sponsorship categories and limits on the extent to which institutions may exceed state-level NIL mandates without sufficient justification. In doing so, the NCAA must remain mindful of antitrust concerns (LeRoy, 2023). Therefore, specific guidance related to overly broad constraints or institutional restrictions could help mitigate the risk of legal challenges.

Finally, state and federal policymakers should consider the potential implications of prohibited NIL sponsorship categories in future legislation. If Congress does ultimately adopt a national NIL framework, it should avoid codifying specific prohibited sponsorship categories into law that unnecessarily limit college athlete's market access. Instead, any future NIL legislation should focus on ensuring uniformity, transparency, and preserving a college athlete's right to fully participate in lawful commercial endorsement activities. It would be prudent for lawmakers to be cautious about replicating the inequities present in some state NIL statutes that uniquely restrict college athletes from certain sponsorship markets while allowing other adults to engage freely in those opportunities.

Limitations and Future Research

Several limitations should be noted within this study, which presents additional opportunities for future research on the subject. First, the sample for this study only included Power-4 conference institutional NIL policies. Although these institutions represent a significant portion of college athlete NIL compensation (Opendorse, 2025), their policies represent a small fraction of the college sport landscape. Therefore, the institutional NIL policies at NCAA Division I schools outside these conferences, NCAA Division II/III schools, or schools competing in the National Association of Intercollegiate Athletics (NAIA) could be examined to assess the prevalence of prohibited NIL sponsorship categories and alignment (or divergence) with restrictions found in state NIL statutes.

Second, the NIL regulatory framework remains dynamic. State legislators continue to amend NIL laws, the NCAA may update its NIL bylaws, institutions revise NIL policies in response to legal developments, and federal lawmakers maintain ongoing discussions about national NIL legislation. Therefore, some policies or laws analyzed in this study may have been amended following data collection. Although the fluid NIL regulatory environment does present challenges relating to policy analysis, it also presents an opportunity for future research focused on longitudinal analysis of NIL policy and law dynamics, with changes to college athlete rights and restrictions monitored over time.

Third, this study does not examine how states or institutions enforce prohibited NIL sponsorship categories. Therefore, it remains unclear if and/or how institutions



actively monitor athlete NIL activities for compliance and whether monitoring or enforcement is consistent across institutions. Therefore, future research could look at enforcement practices and outcomes. An understanding of how NIL restrictions are communicated, monitored, and enforced could illuminate the degree to which prohibited NIL sponsorship categories restrain athlete behavior, or whether these restrictions serve more of a symbolic purpose.

Fourth, both targeted qualitative and quantitative investigations could provide additional insight into this topic. Since little is known about how athletes perceive prohibited NIL sponsorship categories or how they navigate conflicts between institutional policies and personal brand identities, interviews or focus groups with athletes would offer valuable insights into their lived experiences. A quantitative inquiry could focus on estimating lost NIL value due to state-level or institutional NIL prohibitions. Economic modeling could attempt to quantify how restrictions on industries such as alcohol, firearms, or gambling impact NIL earnings potential. This type of analysis could help policymakers evaluate the costs of restrictive policies compared to their perceived benefits.

Finally, future research could investigate potential legal challenges to institutional NIL policy restrictions. As the NIL marketplace continues to expand (Opendorse, 2025), it is plausible that athletes and/or advocacy groups contest overly restrictive NIL policies on First Amendment or antitrust grounds (Ehrlich & Ternes, 2021; Le-Roy, 2023). Maintaining a keen eye on case law in this area will be an essential aspect of understanding future NIL governance and regulatory frameworks.

Conclusion

The onset of the NIL era in college athletics was meant to establish greater equity and economic freedom for college athletes. Certainly, it has opened the door to athlete compensation opportunities never witnessed before in the history of college athletics (Opendorse, 2025). Yet, the regulatory framework surrounding NIL sponsorships remains uneven and inconsistent. Although state NIL statutes contribute to this environment, our findings demonstrate it is institutional NIL policies that introduce the majority of sponsorship prohibitions on product and service categories. These institutional policy decisions not only limit college athlete access to lawful commercial markets, but they also contradict the initial intent of NIL reform in college athletics (NCAA, 2019a).

Sponsorship category restrictions create meaningful equity, fairness, legal, and economic concerns. College athletes remain a uniquely regulated population within the university community (Harry, 2023; Southall et al., 2023) and are subject to sponsorship prohibitions not imposed on other adults in the same jurisdiction. These restrictions raise significant First Amendment (Ehrlich & Ternes, 2021) and



antitrust (LeRoy, 2023) issues. Additionally, the double standards set by institutions, whereby they engage in commercial activities with the same industries prohibited to athletes within NIL policies, reinforce longstanding power imbalances in college athletics and highlight the tension between institutional brand protection and athlete economic freedoms (Southall et al., 2023).

As the NIL industry continues to evolve, it is imperative for policymakers and legislators to consider how NIL sponsorship prohibitions impact athlete market access and opportunities. A clearer and more logical regulatory approach is needed. Revamped NIL regulations should include protections for institutional interests without unnecessarily restricting college athlete NIL rights. Meaningful NIL reform will require the prioritization of transparency, fairness, and economic freedoms for college athletes that participate in an increasingly commercialized college sport industry. Until that occurs, college athlete NIL rights will continue to rely on institutional discretion rather than a consistent and equitable regulatory framework.

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