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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 660
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 660's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. Mathews and Edwards

Local Impact Statement Procedure Required: No

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Highlights

- State institutions of higher education, if they chose to do so, will incur costs to directly compensate student-athletes for use of their name, image, or likeness (NIL). Costs will vary significantly based on several factors, including the number of student-athletes involved and the institution's existing administrative resources. These expenses could be offset, at least partially, by increased revenue from donations or other third-party sources.

Detailed Analysis

Background of NIL in Ohio

Since September 30, 2021,¹ the law has authorized intercollegiate athletes enrolled at an institution of higher education in Ohio to earn compensation from their name, image, or likeness (NIL). Generally, current law prohibits an institution of higher education, athletic association, conference, or other group or organization with authority over intercollegiate athletics from taking certain actions regarding an intercollegiate athlete who earns compensation from the athlete's NIL. Institutions must designate an official to review an NIL contract proposal and may establish reasonable policies or standards to address a student's failure to disclose to the official a proposed contract or any other failure to comply with NIL requirements. For example, an Ohio State University football player could receive a contract from a local car dealership to promote

¹ The NIL provisions in current law replaced similar provisions in Executive Order 2021-10D, signed by the Governor on July 28, 2021.

their vehicles on social media. This contract would be reviewed by the university's designated NIL officer for compliance with university policies.

On November 18, 2024, the Governor signed Executive Order 2024-08D, which permits any institution of higher education in Ohio to directly compensate an intercollegiate student-athlete for the use of their NIL, provided that no state funding is used for that purpose. The executive order expires once a pending settlement² between several athletic conferences and the National Collegiate Athletic Association (NCAA) goes into full effect.

The bill

The bill makes various changes to provisions governing how intercollegiate student-athletes may earn compensation from their NIL. Most notably, the bill:

- Authorizes an institution of higher education in Ohio to directly compensate student-athletes for use of their NIL, provided the institution does not compensate the student-athlete using any fees paid to the institution by, or on behalf of, students attending the institution;
- Authorizes an institution to provide money, assets, resources, opportunities, services, or other benefits to a supporting foundation to incentivize it to facilitate opportunities for student-athletes to earn NIL compensation;
- Specifies that receiving compensation for NIL does not make student-athletes employees of the institution;
- Requires the board of trustees or other governing authority of an institution that participates in intercollegiate athletics to adopt policies and procedures, consistent with the bill, governing NIL compensation provided by the institution directly to a student-athlete; and
- Authorizes student-athletes, institutions, and supporting foundations to take legal action if the provisions of the bill are violated. However, institutions and foundations are granted immunity from lawsuits related to a student-athlete's failure to secure NIL compensation.

For more information on all of the bill's provisions, please see the LSC bill analysis.

Ultimately, the costs to state institutions will vary, depending on the extent to which each chooses to participate in NIL arrangements as proposed by the bill. Any costs would likely depend on a number of factors, including the number of student-athletes involved and the institution's existing administrative resources. According to a spokesperson for the Inter-University Council (IUC), public universities may need to do a full analysis on staffing to determine if additional NIL management staff are needed to implement and manage a new NIL model. For example, universities may incur increased costs related to fundraising for NIL-related funds and ensuring that funds raised through NIL are used in accordance with the requirements of the donor and NIL activity. Costs may also vary depending on the university's size and infrastructure. Larger universities may face higher administrative costs due to the greater number of student-athletes engaging in NIL deals, as well as the complexity of compliance monitoring. On the other hand,

² [In re College Athlete NIL Litigation](#), No. 4:20-cv-0319-CW (N.D. Cal.).

smaller institutions may need to add resources to operate under the bill's NIL provisions if they choose to participate. Any expenses could be offset, at least somewhat, by revenue received from donations or other third-party sources, as long as those funds are not from fees paid to the institution by, or on behalf of, students attending the institution.