

NCAA, Power Five Conferences Approve \$2.77 Billion Settlement, Revenue Sharing For College Sports



The NCAA and Power Five conferences officially approved a settlement that allows for a model for colleges to pay athletes through revenue sharing.

The vote from the NCAA Board of Governors and the five conferences approved a settlement that will pay \$2.77 billion to former college athletes to resolve three different lawsuits against the NCAA.

“The five autonomy conferences and the NCAA agreeing to settlement terms is an important step in the continuing reform of college sports that will provide benefits to student-athletes and provide clarity in college athletics for years to come,” a statement from the NCAA and conferences read. “This settlement is also a road map for college sports leaders and Congress to ensure this uniquely American institution can continue to provide unmatched opportunity for millions of students.”

According to an ESPN report from Pete Thamel and Dan Murphy, all Division I athletes dating back to 2016 are able to receive a share of the settlement, but athletes who do opt in to receive part of the settlement aren’t able to sue the NCAA for other potential antitrust violations.

The NCAA has also allowed schools to share revenue directly with athletes for the first time which is expected to go into effect starting in the 2025-26 academic year. It doesn’t require schools to share revenue, but it slows them to share with athletes up to a cap of 22 percent of the average revenue for power conference schools. Ross Dellenger of Yahoo Sports reported that number is expected to start at about \$22 million, though that could change.

While the settlement has been approved by the NCAA and each of the conferences, it still needs to be approved by a judge as well, so it isn’t final yet, and it could take months for it to happen.