

'It's here much faster than we thought:' How NIL forced a reckoning in high school sports

Former TSSAA executive director Bernard Childress wasn't prepared for how quickly the name, image and likeness craze reached high school sports. Barely a year after the state of Tennessee passed a law allowing NIL monetization at the college level, the state's high school sports association is considering addressing the issue as early as December.

"It's here and it's here much faster than we thought," said Childress, who retired July 1.

When the [Supreme Court ruled in NCAA v. Alston](#) last June that the collegiate sports organization's policy was a violation of antitrust law, the NCAA allowed athletes at member institutions to monetize their name, image and likeness. While NIL use for college athletes [had bipartisan support nationwide](#), allowing it at the high school level is more controversial.

Rep. Kevin Vaughan (R-Collierville) sponsored [Tennessee's House Bill 1351](#), which authorized NIL compensation for college athletes, but he said he does not feel that those same opportunities should be afforded to high school athletes.

HIGH SCHOOL COACHES ON NIL:[Tennessee high school football coaches on NIL at TSSAA level: 'It will kill inner city teams'](#)

NIL COLLECTIVES:[How NCAA restrictions on NIL collectives could](#)

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COLUMN: [NIL deals could help build a formidable Tennessee Vols walk-on program | Adams](#)

"I am not there yet, primarily because I do not see the fundamental unfairness to athletes that existed in college sports," Vaughan said.

"There are not the large sums of money, like in college sports, being made by others that the athletes are exempted from earning. I question the size of the market for legitimate business interests that would find value in a high school athlete's NIL."

Karissa Niehoff, the CEO of the National Federation of State High School Associations (NFHS), said the organization supports athletes' profiting from their NIL as long as it is not connected to their participation in high school sports. She believes a professional contract tied to a high school would undermine the values of amateurism.

Similar rationale was used to justify banning NIL use in college athletics prior to last summer. However, Niehoff argues that NCAA sports were never truly amateur in the way high school sports are, considering factors like multi-million dollar facilities and [ever-increasing coaching salaries](#).

"High schools are supposed to be opportunities for almost everybody, whereas college really is about elite athletes," she said. "In college ... you are dealing with financial gains, scholarships, education support, all kinds of benefits. (Before NIL) college wasn't fully amateur. It just wasn't."

How NIL works for high school athletes

Nine states allow high school athletes to monetize their name, image and likeness: Alaska, California, Louisiana, Kansas, Utah, Colorado, Nebraska, New Jersey and New York. Eleven others are actively reviewing proposals to allow NIL use at the high school level, and the [Ohio High School Athletic Association rejected a proposal](#) May 17.

In April, the [Louisiana High School Athletic Association approved a "positioning statement"](#) permitting athletes to financially profit from their name, image and likeness in an executive committee meeting. The LHSAA does not have any rules for NIL use, and it does require that deals be disclosed to the organization. It also does not currently keep a database of athletes' deals, so it is unclear how many athletes have taken advantage of this opportunity.

"The LHSAA is not regulating NIL monetization in any way," said LHSAA director of communication Vincent Cacioppo. "We are simply providing educational tools for student-athletes, coaches, and administrators."

Those tools are sourced through a partnership with Eccker Sports, an information platform designed to help high school athletes, coaches, parents and administrators to navigate the NIL landscape. Eccker Sports CCO Tim Prukop believes the keys to successfully allowing NIL at the high school level are education, governance and visibility.

In Louisiana, athletics directors and coaches must complete an educational program created by Eccker Sports beginning for the 2022-23 school year. The company also aims to provide a means of monitoring NIL deals by establishing a foundation that processes the flow of funds from companies to student athletes.

"We'll be able to see who's involved, who's the donor or sponsor, which

kids are being brought in. Did the kid actually do the service that he was asked to do, and then did they get paid and did the taxes get taken out?" Prukop said.

Most states do not have strict high school guidelines for NIL. Several, including California and [New York](#), have policies that prevent athletes from wearing their high school uniform and using logos or other identifiers that would associate a sponsorship deal with a high school or the state organization.

What are high school athletes worth?

The sample size is small for NIL deals in high school athletics, but [an evaluation by On3](#) estimates that the most prominent high school athletes could be worth millions.

High school basketball superstars Bronny James and Mikey Williams are valued at \$6.3 and 2.6 million respectively, and both attend prep academies that are not members of state associations. Arch Manning, the No. 1 football prospect in the Class of 2023, competes for LHSA member Isidore Newman and is valued at \$3.1 million by On3.

"I think there's a sense of urgency in the market for the kids," Prukop said. "They want to participate because they want to make money, and they're seeing their peers all over the country doing it. But it's like anything: It does take time to get things set up and get them operational, get them organized."

In March, reports emerged that a five-star recruit in the Class of 2023 [signed an agreement worth more than \\$8 million](#) with a college's NIL collective. [The Athletic reported](#) that the athlete would be paid

\$350,000 immediately, with monthly increases to more than \$2 million per year once he begins his college career.

Less lucrative deals are also on the table. Wrestling standout Richie Clementi became the first high school athlete in Louisiana to profit from his NIL when he penned four-figure deals with financial technology company Enzo and a local motorcycle dealership.

Questions for the future

On3's NIL evaluations only include men's basketball and football players, and one of Niehoff's problems with NIL monetization in high school sports is that it could deepen existing inequalities.

"There are (going to be) the exacerbation of disparities that are already there in terms of which sports, which athletes, which universities, what kinds of deals, which companies dominate the landscape," she said.

"This could present inequity in terms of how funds are allocated in public schools, and we already have trouble from a Title IX perspective with what booster clubs do, so professional contracts we just believe have no place in the public high school."

However, girls have been at the forefront of several major deals. UCLA basketball commit Jada Williams signed a deal with Spalding, and California [sisters committed to Stanford soccer](#) became Nike's first high school NIL signees.

One of Prukop's biggest concerns for the future of NIL in high schools is the development of collectives. At the college level, university boosters have formed third-party corporations that offer NIL sponsorships to athletes, and Prukop believes such organizations

would be disastrous at the high school level.

Prukop hopes that the guiding principles emphasized by Eccker Sports and its partners — education, governance and visibility — will limit their emergence. He said measures like the foundation they are establishing help create a transparent alternative to manage funds and lessen the need for independent corporations to form.

"What would be terrible is if each high school created its own collective and tried to bring kids from one school to the other, although we may see that," he said. "There's no way that anybody could prevent somebody from setting up an LLC, taking in money and then giving money to somebody for something that they do."

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