

ENTERTAINMENT & SPORTS

NIL Implications for Student-Athletes



The rise of name, image and likeness (NIL) rights has transformed the landscape for college athletics, empowering student-athletes to profit from their personal brands while introducing new layers of complexity around compliance, finance and personal management. Successfully navigating legal frameworks while building a sustainable personal brand requires a nuanced understanding of the challenges associated with NIL.

While NIL represents tremendous opportunities and entrepreneurial possibilities, it also necessitates a new level of professionalism and discipline from those entering this evolving space, such as:

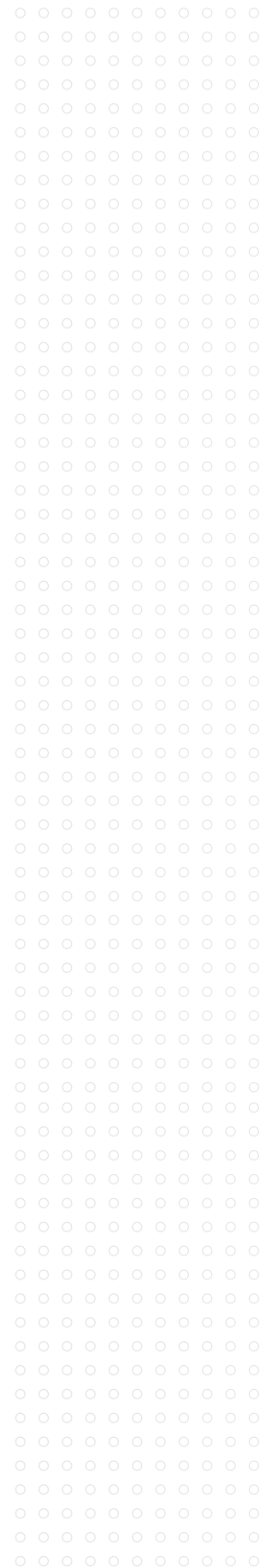
- **Financial growth.** NIL allows student-athletes to earn income through endorsements, sponsorships and social media partnerships, offering early financial independence and valuable business experience.
- **Balancing multiple roles.** Managing academics, athletics and NIL obligations can be demanding. Success depends on time management, discipline and a clear understanding of contractual and tax obligations.
- **Access to professional support.** Legal, financial and branding advisors can help student-athletes navigate the fine print of contracts, ensure compliance and build sustainable, authentic personal brands.

The business of being a student-athlete

The shift toward NIL has effectively turned student-athletes into entrepreneurs, requiring a business mindset to manage their growing responsibilities.

To avoid unintended consequences, student-athletes need to treat themselves like a business and consider the following:

- **Brand management.** Athletes must actively shape and protect their personal brands by managing public perception, social media activity, public relations and professional relationships with sponsors.
- **Financial literacy.** Understanding contracts, taxes, budgeting and investments is critical to avoiding missteps and ensuring long-term financial health.
- **Family considerations.** New income streams can add financial and emotional stress to families. Open communication and trusted guidance are key to managing expectations and decisions.
- **Legal and compliance awareness.** NIL deals must comply with NCAA rules, state laws and university policies. Legal oversight helps prevent exploitation and safeguards eligibility.
- **Time and priority management.** Balancing sports, academics and business commitments demands structure, organization and sometimes, the ability to say no.
- **Networking and relationship building.** Strategic partnerships with brands, agents and mentors can enhance career longevity and open doors beyond college athletics.



Financial challenges faced by college athletes

The shift toward NIL earnings has amplified long-standing financial challenges among student-athletes. While new opportunities exist, many are entering this landscape without the foundational financial literacy needed to manage income responsibly.

- **Lack of financial education:** Only 19% of college athletes receive financial education during orientation, and 65% report receiving none during their college experience. Nearly 60% also miss this instruction in high school, leaving many unprepared to handle complex financial decisions.¹
- **Financial instability and mismanagement:** Research shows that 78% of professional athletes face bankruptcy or severe financial distress within three years of retirement. Among college athletes, 23% report having no money left at the end of the month, reflecting budgeting and planning challenges.²
- **Savings and budgeting gaps:** Only 21% of athletes follow a monthly budget consistently. While 60% save regularly, 15% do not save at all — and few track expenses closely, leading to overspending and financial shortfalls.³

Treating NIL like a business

Managing NIL income as a business will help student-athletes protect their assets, minimize tax exposure and build a financial foundation that extends well beyond athletic careers.

¹ & ³ Rubin, L.M., Joseph, M., Lutter, S., Roberts, D.K., & Jones, J.J., "Enhancing Financial Literacy among College Athletes," *Journal of Athlete Development and Experience*, Vol. 3, Iss. 2, 2021.

² Sports Illustrated, "How (and Why) Athletes Go Broke," March 23, 2009; Fox Business, "Why do professional athletes go broke?" Feb. 2, 2022.

Asset protection

Establishing formal business structures and sound practices helps separate personal and professional finances while reducing exposure to risk.

- **Limited liability.** Creating an LLC or corporation shields personal assets, such as a home or savings, from potential business liabilities.
- **Separation of assets.** Keeping personal and business accounts separate helps maintain financial clarity and legal protection.
- **Legacy building.** A structured business can outlast an athletic career, creating future opportunities and generational wealth.

Taxes

NIL income comes with tax obligations many student-athletes haven't faced before. Proactive planning can help avoid costly mistakes and improve long-term outcomes.

- **Tax deductions.** Eligible business expenses, such as travel, marketing, equipment and home office costs, can offset taxable income.
- **Income splitting.** Strategic income allocation among family members can reduce overall tax burden when handled legally and transparently.
- **Retirement planning.** Setting up tax-advantaged savings vehicles, such as IRAs or solo 401(k)s, helps build long-term financial security.

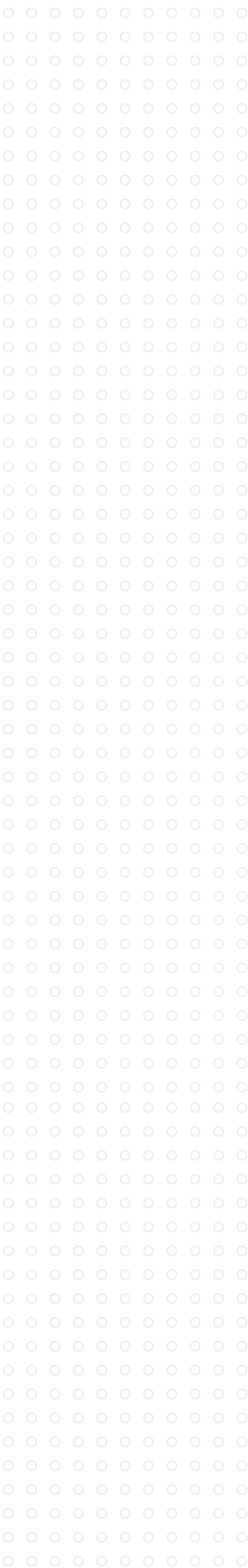
Insurance

With new income and exposure comes new risk. Proper insurance coverage ensures both personal and professional protection.

- **Business insurance.** General, professional and excess liability policies help guard against lawsuits or contractual disputes.
- **Health insurance.** Group or employer-sponsored health plans often offer better coverage and pricing than individual policies.
- **Auto and property insurance.** Protects valuable physical assets tied to business or personal use.
- **Life and disability insurance.** Provides financial stability for dependents in the event of injury, illness or death.

Building a foundation for long-term success

Financial success in the NIL era requires more than talent — it demands strategy, structure and foresight. The athletes who thrive will be those who treat their earnings as a business, protect their assets and invest in their own education as carefully as they invest in their training.



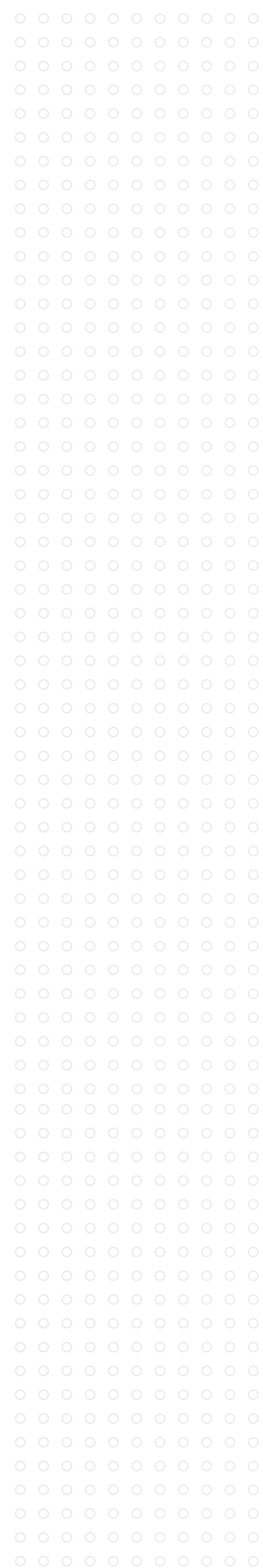
By surrounding themselves with trusted advisors, staying disciplined in financial habits and thinking beyond their playing years, student-athletes can turn short-term opportunities into lifelong security and lasting impact.

Mental health landscape for student-athletes

Mental health is as critical to athletic performance as physical conditioning. The pressures of competition, academics and public attention can create significant emotional strain for student-athletes. Recognizing, addressing and supporting mental health needs is essential to sustaining long-term success — both on and off the field.

Research consistently shows that student-athletes face heightened emotional and psychological challenges during their collegiate careers. Issues include:

- **Prevalence.** According to NCAA data, up to 44% of student-athletes report experiencing mental health symptoms daily. Rates are even higher among female athletes.
- **Barriers to care.** Many athletes turn to athletic trainers or peers rather than licensed professionals for emotional support, leaving their underlying issues untreated.
- **Cultural stigma.** A “toughness” mentality in sports often discourages open discussion of anxiety, depression or burnout — increasing the risk of unaddressed problems.



Promoting mental health literacy

Athletic departments play a key role in creating environments where mental health is prioritized as part of overall performance. AD leadership can help by:

- **Normalizing mental health conversations.** Encourage coaches, trainers and teammates to discuss emotional wellness in the same way they discuss physical training.
- **Providing access to qualified professionals.** Ensure athletes have confidential access to licensed mental health providers who understand the unique pressures of athletic performance.
- **Offering education and training.** Provide workshops for athletes and their families on the effects of stress, sleep deprivation and substance use on mental and emotional health.

Common mental health conditions

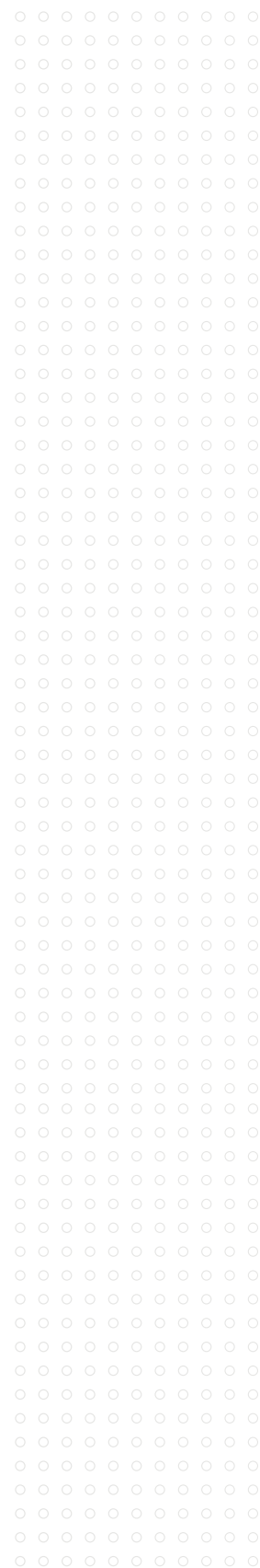
Student-athletes may experience a range of mental health challenges, including:

- **Anxiety disorders.** Such as performance anxiety, panic attacks and injury-related phobias.
- **Mood disorders.** Including depression and bipolar disorder, often linked to performance pressures or injury recovery.
- **Eating disorders.** Particularly in sports, emphasizing weight or appearance.
- **ADHD and impulse control disorders.** Which can affect focus, decision-making and time management.
- **Substance use disorders.** Sometimes emerges as a coping mechanism for stress or pain.

Mental health and injury

Injuries are a common trigger for emotional distress among athletes. Being sidelined can create feelings of isolation, frustration and fear about career prospects. Issues to consider include:

- **Emotional responses.** Reactions may include sadness, irritability, loss of motivation or sleep disruption.
- **Monitoring. Coaches,** trainers and peers should remain alert to mood or behavioral changes following an injury.
- **Self-referral.** Athletes should be encouraged to seek professional help if distress persists or intensifies.
- **Integrated care.** Treatment should address both physical and psychological recovery, with mental health professionals coordinating care alongside medical staff.



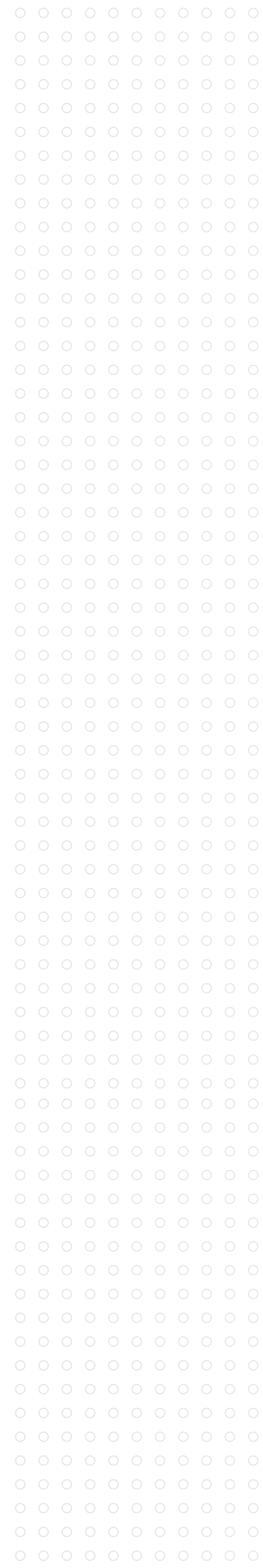
Treatment and support

Mental healthcare should be presented as a natural part of performance optimization — comparable to strength or conditioning training. This includes:

- **Diagnosis and management.** Like physical injuries, mental health conditions require diagnosis, treatment and ongoing management.
- **Therapeutic interventions.** May include cognitive behavioral therapy, mindfulness training, or medication when clinically appropriate.
- **Active participation.** Athletes should be taught to recognize signs of distress, such as insomnia, irritability or changes in appetite, and take proactive steps to seek help.

Work with the right broker

Successfully navigating the NIL landscape requires partnering with advisors who understand the unique challenges student-athletes face. HUB's Entertainment and Sports team works with athletes and athletic departments nationwide, providing guidance on risk management, financial planning and long-term protection. [Connect with HUB](#) today to help you build a foundation for lasting success.



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