

Request for Information: Stabilizing College Sports and Preserving Opportunities for Athletes

Compensation and Benefits

Where is the balance between providing student-athletes with opportunities to earn compensation and preserve opportunities for student-athletes at all levels of competition?

- That balance falls on schools to determine if the primary purpose of operating athletics programs is to provide affordable educational opportunities for gifted students, or to generate money. College athletics has **traditionally** operated in pursuit of substantial profit as its primary purpose. The primary reason that the balance of providing opportunities to earn compensation versus preserving opportunities to compete for all athletes is even in question is that schools are still operating with a profit-first motive for college sports. There are clear pathways to maintaining that balance that can be explored by schools, including the banning of coaches **forcing** athletes into the transfer portal for athletic reasons, allowing students to pick their desired major instead of **mandating** choices to better mesh with athletic schedules, and enforcing strict limits on the amount of hours per week athletes **spend** on athletic activities versus academic. However, schools continue to dedicate their time, energy, and **money** to limit athletes' ability to access the money that they generate with their labor, rather than exploring the pathways to find the necessary balance.

Is the current "Name, Image, and Likeness" system working for today's student-athletes and schools?

- The current system largely works in favor of athletes, but with some caveats. Athletes finally can be compensated for their labor, which is the closest to a fair labor market that college athletes have ever experienced. However, schools often place arbitrary limitations on deals for the sole purpose of limiting the compensation that athletes can obtain. For example, the NIL Go system established from the House settlement continues to **reject** deals secured by athletes with limited transparency into why those decisions are made. Athletes make enrollment and participation decisions based on these deals. A third-party rejecting deals without accounting for how it impacts those decisions for athletes is a worrisome trend.

Should federally provided student aid be offset by alternative guaranteed revenue sources such as NIL in order to preserve resources for students who need them?

- No. Most athletes at the Division 1 level do not receive any NIL income at all because NIL is not a guaranteed income source, let alone across all NCAA divisions. For Division 1 athletes that receive NIL payments, nearly **79 percent** of all reported NIL deals between January 2025 to present are worth \$1,000 or less, with 64 percent being worth \$100 or less, and the median athlete earns just \$658 from NIL. Almost **40 percent** of all college athletes regardless of competition level receive Pell Grant awards, with half of them receiving at least \$3800 annually. Nearly 40 percent of all current Black male athletes receive between \$3800 and \$6200 in annual Pell Grant awards, which is larger than the total share of Black male athletes who don't receive Pell Grants at all (30 percent). Attempting to offset that financial aid through NIL would represent a financial cut for those athletes that would directly jeopardize their ability to maintain enrollment, along with discouraging future athletes from less affluent backgrounds from participating in athletics due to the potential risks in losing access to financial aid. Additionally, a system that requires this type of offset would increase inequities as no other students are required to offset federally awarded aid with their employment income.

How does revenue sharing under the House Settlement affect schools' ability to comply with Title IX requirements?

- The specific terms of the settlement itself do not affect the ability of Title IX requirements, as the settlement does not overrule or excuse the responsibility of schools to fulfill Title IX. The current revenue sharing **formula** of roughly 75 percent for football, 20 percent for men's and women's basketball players, and 5 percent for other athletes is discretionary and can be changed at any time by any school.

How would the taxation of scholarships and other compensation, including education-related and non-education-related benefits, as income affect college sports, particularly the recruitment and retention of athletes of all income levels?

- Taxation of scholarships and other compensation potentially fuels a race to the bottom amongst states by encouraging them to pass tax exemptions or lower tax rates as a recruitment advantage. Athletic scholarships should be exempt from taxation like other scholarships since they meet the IRS's current **conditions** for exemption.

How are revenue-sharing payments working for today's student-athletes and schools? To what degree does revenue sharing reach all students playing the revenue sport? How would this arrangement be affected if students were classified as employees?

- There is not enough data publicly available to determine how revenue share payments are working for athletes because schools are **increasingly** using FERPA or "trade secrets" protections to avoid having to report what they pay out in revenue share. This lack of

data also allows schools to collude in paying athletes less than the revenue share cap from the House settlement, as athletes have no information to compare what schools are paying besides word-of-mouth from other athletes.

Should revenue-sharing agreements following the House Settlement permit or require schools to deposit funds into portable benefits accounts, such as retirement or health savings accounts, that follow student-athletes during competition and after they leave college?

- Yes, though the exact contributions should be left up to schools and athletes to determine through the collective bargaining process like how employees in other workforce sectors determine retirement benefits.

Protecting Paid Student-Athletes

Should financial literacy education become mandatory for all student-athletes?

- If financial literacy education is mandated, it should be provided for all students regardless of athletic status regardless of the form it takes (ex: required class for graduation, online portal of resources for students, etc.)

To what extent do student-athletes encounter unclear or un-enforceable contracts? Should there be a standard contract to protect student-athletes from unscrupulous agents?

- Instead of a standard contract, there should be enforceable standards for eligibility of agents to represent athletes. These standards should be enforced by a third-party entity outside of the NCAA, preferably the federal government or state governments.

Eligibility and academic experience

Given recent federal and state court cases challenging the NCAA's authority, what power does the NCAA, or another governing body, still have to set eligibility limits?

- They have the power to jointly set agreed-upon eligibility limits with athletes through the collective bargaining process, like how professional sports leagues set league terms.

What authority should college sports governing bodies have to set academic eligibility limits?

- Whatever authority is granted in collaboration with athletes themselves via the collective bargaining process, as those will be the only legally enforceable eligibility limits.

What authority should college sports governing bodies have to set limits on how many years a student-athlete may compete?

- Whatever authority is granted in collaboration with athletes themselves via the collective bargaining process, as those will be the only legally enforceable eligibility limits.

What authority should college sports governing bodies have to set limits on transferring and eligibility after transferring?

- Whatever authority is granted in collaboration with athletes themselves via the collective bargaining process, as those will be the only legally enforceable eligibility limits.

Do college sports governing bodies have the ability to restrict former professional athletes from returning to college athletics after competing professionally? To what extent should college sports governing bodies have this ability?

- Since returning professional athletes are still college students, they therefore are still eligible to participate. The ability to restrict eligibility only comes through the collective bargaining process or an antitrust exemption.

Student-Athlete Status

In what ways would classifying student-athletes as employees benefit the student-athletes? In what ways would classifying student-athletes as employees hurt student-athletes?

- Athletes being classified as employees grants them access to the full protections of federal and state employment laws, which they presently do not have.

If schools were obligated to treat student-athletes as employees, how would that impact the number of scholarships or spots on teams available for schools to be able to offer prospective students?

- The decision to label athletes as employees would not impact scholarships or roster spots on their own. Any impact would come from schools refusing to adapt different spending tactics to offset compensation provided to athletes, such as reduced spending on facilities, travel, and coaching compensation.

If schools were obligated to treat student-athletes as employees, what would the impact be on non-revenue generating sports? What obstacles would schools encounter complying with Title IX requirements?

- The only direct impact would be granting all athletes federal labor rights and legal protections, regardless of the amount of money their program generates. Schools can treat athletes as employees *and* maintain current levels of competition, but that requires schools to reduce needless and wasteful spending in other areas.

If student-athletes are designated as employees, who is their employer?

- There are several different potential employers. Each individual school, athletic conference, and the NCAA itself can all serve as employers.

If student-athletes were classified as employees and engaged in collective bargaining, what would be the appropriate bargaining unit? With which 'employer' would a bargaining unit bargain?

- The appropriate bargaining unit would be dependent upon which entity is recognized as the employer. Athletic conferences make the most sense in the current format as the primary employer for bargaining because they avoid concerns over the ability of public sector employees in certain states to bargain due to being multistate nonprofits.

Should student-athletes be permitted to collectively bargain as non-employees? If so, over what terms of their participation should student-athletes be allowed to collectively bargain?

- Bargaining rights should come with full employment status, as that balances the scale for bargaining to take place. Without the guaranteed protections of employment status, schools will have no incentive to honor agreements and will have a head start in lobbying policymakers to chip away at the limited protections that athletes would have in this scenario. As noted by Athletes.org in their draft CBA **framework** released in January, a CBA bargained by non-employees "...would not have the administrative protections employees enjoy in the marketplace, such as those offered by the EEOC, the FLSA, or the NLRA/NLRB. Nor would an agreement under this framework be afforded the non-statutory labor exemption that CBAs between labor unions and employers enjoy."

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