

## WHY COLLEGE SPORTS MATTER

***College sports provide hundreds of thousands of student-athletes with a pathway to education, while also allowing them to pursue lifelong athletic dreams.***

- Today, more than 520,000 student-athletes from nearly 1,100 schools across all NCAA divisions experience lifelong benefits only college athletics can deliver.
- NCAA schools provide nearly \$4 billion in athletics scholarships each year, one of the largest sources of student financial aid in the country.
- Student-athletes continue to thrive academically and are graduating at record rates. In all three divisions, student-athletes graduate at a rate as high or higher than their student body peers.
- College athletics serves as the premier stage for women's sports, supports local economies and brings communities together.
- College sports are a pipeline for Team USA. About 75% of the 2020 U.S. Olympic team members were current or former NCAA student-athletes.
- Former student-athletes are thriving at higher levels and are more likely to earn an advanced degree compared to their nonathlete peers, according to a 2020 Gallup study.
- The more than 400 schools that are members of Division III provide opportunities for more than 200,000 college athletes and impact communities across 34 states, the District of Columbia and hundreds of congressional districts.
- Eighty percent of Division III schools are private, and full-time undergraduate enrollment ranges from under 300 to about 30,000 students.
- While Division III schools don't provide athletics scholarships, roughly 80% of Division III student-athletes receive some form of academic grants or need-based scholarships.
- Nearly one in three students at Division III schools are student-athletes, the highest proportion of the three divisions.
- Division III student-athletes graduate at a higher federal rate than the general student body and reported an academic success rate of 88% in 2023.

## HOW IS THE NCAA MODERNIZING AND REFORMING?

***The NCAA is enacting comprehensive reforms, increasing guaranteed benefits and protections for student-athletes. Among these reforms, the NCAA has:***

- Created a [new insurance fund](#) providing student-athletes from all NCAA divisions access to health insurance for athletically related injuries for up to two years after graduation.
- Adopted [new bylaws](#) requiring all Division I schools to offer degree completion funds, scholarship guarantees, and mandatory health and well-being services.
- With the support of student-athlete leaders, Division I adopted [student-athlete protections](#) for name, image and likeness agreements to prevent exploitative behavior.
- Proposed [a voluntary subdivision](#) permitting at least half of student-athletes in the largest athletics departments to receive a *minimum* of \$30,000 in financial assistance annually, while letting schools enter into direct NIL licensing agreements with student-athletes.
- Finalized a [new media rights agreement](#) that will provide greater exposure to women's sports and Divisions II and III championships and for student-athletes across a record number of championships.

*The NCAA is transforming college sports to put student-athletes' interests first, but due to a patchwork of state laws and lawsuits, the NCAA cannot make all the necessary changes alone.*

***To ensure millions of Americans continue to access the opportunities only college sports provide, the NCAA is eager to partner with Congress on the following priorities:***

1. **Enhance Student-Athlete Welfare**: Ensure Division I schools provide student-athletes with guaranteed scholarships, academic support, degree completion funds, health care for sport-related conditions, life skills training, and access to mental health and well-being resources. Require the NCAA to provide post-eligibility injury insurance for student-athletes across all divisions consistent with its recently adopted policy.
2. **Improve NIL Outcomes for College Athletes**: Preempt the patchwork of state laws impacting college sports to create nationwide policies. Establish student-athlete protections by requiring agent registration, uniform contracts and financial literacy training. Protect the integrity of collegiate recruiting by ensuring NIL compensation is not promised or permitted to be used as an inducement to enrollment or transferring.
3. **Protect College Sports as a Pathway to Education and Opportunity**: Codify current regulatory guidance into law to allow student-athletes to receive greater financial benefits and affirm they are not employees of an institution. Without this protection, there is risk of a massive loss of opportunities for student-athletes who participate in Olympic sports that don't generate revenue, many women's sports, and athletics programs at Division II and III schools and at under-resourced schools, such as most historically Black colleges and universities. Sweeping employment mandates would make these athletics programs financially untenable.
4. **Protect Title IX and Women's Sports**: Fully apply Title IX, on the basis of gender, in the marketing or facilitation of NIL agreements for prospective or current college athletes.
5. **Competitive Fairness and Effective Governance**: Grant limited and conditional liability protection to conferences and intercollegiate associations so they can set reasonable

competition standards and enforce other provisions of a bill passed by Congress.

## THE THREATS FACING COLLEGE SPORTS

### **Classifying Student-Athletes as Employees**

*Recent National Labor Relations Board rulings, lawsuits, and state and federal legislation actively seek to classify student-athletes as employees.*

- The NCAA agrees that change is overdue and student-athletes' interests must be prioritized, but classifying student-athletes as employees is the wrong way to make the change.
- NLRB cases and lawsuits revolve around individuals or a team at a single school, but those decisions could apply to and have disastrous implications for all 500,000 student-athletes and 1,100 schools across all three divisions. The NCAA wants to partner with Congress to improve outcomes for student-athletes and secure an equitable, sustainable future for college sports.

#### Negative impact for student-athletes:

- Hundreds of student-athlete leaders from all three NCAA divisions oppose becoming employees. These student-athlete leaders have [called on Congress](#) to partner with the NCAA to set national standards and stop employment efforts.
- Women's sports and Olympic sports provided by colleges are almost entirely subsidized by student fees or football revenue. The cost increase associated with collective bargaining would destroy the current ecosystem that supports women's and Olympic sports.
- International student-athletes would likely not have the opportunity to compete under an employment model without violating their F-1 student visa status, threatening opportunities for the more than 25,000 international students who play college sports each year on student visas.

#### Negative impact for schools:

- Less than 5% of the 1,100 athletics departments across the U.S. generate a profit, but recent NLRB actions and court cases do not distinguish between athletics programs that make money and those that lose money.
- For many schools, the costs associated with an employment model would surpass their entire athletics budget, in some cases doubling, tripling or quadrupling their current athletics program allocations.
- For almost all of Division II and Division III and much of Division I, the cost increases associated with employment and collective bargaining model would make offering current athletics opportunities impossible, resulting in less opportunity for young people and a blow to this uniquely American pastime.
- This would be especially harmful to those schools, including many smaller independent schools and HBCUs, in which offering students the opportunity to continue to compete athletically beyond high school is a key part of their enrollment efforts and campus culture. If forced to eliminate these opportunities due to the prohibitive costs of an employment model, this could threaten the broader financial health of these schools.

### **Patchwork of State Laws**

*Thirty states have introduced or passed laws regulating aspects of college sports — many imposing greater restrictions than current NCAA policy. This environment has made it nearly impossible to provide a level playing field for college athletes.*

- There is a broad desire to see student-athletes nationally competing according to the same fundamental rules, with access to the same fundamental opportunities.
- The 30 disparate state NIL laws and executive orders offer little transparency and no accountability.

### **Legal Activity**

*Many of the biggest issues facing college sports are the result of legal actions and political threats that the NCAA lacks the clarity to address now.*

- More lawsuits against the NCAA are filed every year, making it difficult to apply consistent rules that preserve equity and fairness. These lawsuits, often re-litigating previously decided issues, cost millions that could otherwise be spent on student-athlete support.
- Recent legal actions, such as the NCAA vs. Alston, have clouded the NCAA's ability to provide clear guidelines to regulate college sports nationally.
- Recent actions by states' attorneys general have exacerbated a chaotic environment, furthering competitive imbalance among schools in neighboring states and diminishing student-athlete protections.