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**US House HELP Subcommittee Hearing
“Game Changer: The NLRB, Student-Athletes, And The Future Of College Sports”**

April 8, 2025

Dear Chairmen Walberg and Allen, Ranking Members Scott and DeSaulnier, and members of the HELP Subcommittee,

Thank you very much for inviting me to participate in the “Game Changer: The NLRB, Student-Athletes, And The Future Of College Sports” hearing on Tuesday, April 8, 2025. The National College Players Association (NCPA) is a nonprofit advocacy organization with a mission to protect future, current, and former college athletes of all sports.

Please accept this document and the attachments listed below as my written testimony:

Attachment

- IRS letter clarifying that college athlete employee status would not change tax exemption of athletic scholarships

Narrative

College sports is an \$18 billion dollar industry with multibillion dollar TV deals that pay coaches and administrators multimillion dollar salaries. The NCAA and conferences have unjustly denied college athletes basic protections and fair compensation. It’s important for college athletes to have the freedom to pursue equitable treatment through any and all legal means – federal and state legislation, judicial action, and collective bargaining. Congress should not pass legislation to deny college athletes rights afforded to other Americans.

The NCAA and conferences’ claim that they want to prohibit athlete employee status and collective bargaining in order to preserve sports lacks credibility given they entered into the *House v NCAA* preliminary settlement agreement to needlessly cut sports rosters. Universities can directly compensate college athletes without being required to cut sports. To date, seven states have adopted laws or have executive orders from their governor allowing colleges to directly pay NIL money to their athletes. These laws and executive orders do not require universities to cut rosters. One must conclude that preserving sports is not their concern, but stripping athletes of their rights under the law is.

Despite the NCAA and conferences' narrative, college athletes' right to collectively bargain is not an urgent issue. There are no active NLRB cases regarding college athletes' right to collective bargaining. However, there are a number of urgent issues that Congress should address immediately. Congress should not pass any legislation unless it includes broad based reform. This includes the enforcement of safety standards to prevent serious injury, abuse, and death among college athletes.

Why Congress Must Act Urgently to Address the Exploitation of College Athletes

The NCAA asserts it has no duty to protect college athletes:

<http://www.washingtontimes.com/news/2013/dec/18/court-filing-ncaa-denies-legal-duty-protect-athlet/>

Bucknell football player Calvin Dickey Jr. Dies in Football Workout:

Parents say Bucknell lacked emergency plan and son died a preventable death.

https://www.espn.com/college-football/story/_/id/44494058/parents-dead-football-player-calvin-dickey-jr-sue-bucknell

University of Maryland admits negligence in death of football player Jordan McNair:

<https://www.cnn.com/2018/09/22/us/maryland-jordan-mcnair-death-report/index.html#:~:text=University%20has%20taken%20responsibility&text=Loh%20apologized%20to%20McNair's%20family,on%20that%20fateful%20workout%20day.>

UC Berkeley admits negligence in death of football player Ted Agu:

https://www.espn.com/college-football/story/_/id/14682233/university-california-admits-negligence-2014-death-lineman-ted-agu

Ex-San Jose State athletic trainer pleads guilty to sexually assaulting female athletes

<https://www.usatoday.com/story/news/investigations/2023/08/15/scott-shaw-ex-sjsu-trainer-pleads-guilty-groping-female-athletes/70596967007/>

“Coach Makes the Call: Athletic trainers who butt heads with coaches over concussion treatment take career hits”

<https://www.chronicle.com/article/coach-makes-the-call/>

National Athletic Trainers Survey Results:

18.73% reported a coach playing an athlete who had been deemed medically ineligible for participation

<https://www.nata.org/press-release/062619/only-half-collegiate-level-sports-programs-follow-medical-model-care-student>

NCAA survey: half of athletic trainers admit to returning athletes to same game:

<http://www.cbssports.com/college-football/news/why-the-ncaa-wont-adopt-concussion-penalties----at-least-not-yet/>

NCAA won't punish coaches that force an athlete to return to the same game:

<https://www.washingtontimes.com/blog/screen-play/2013/jul/20/internal-ncaa-emails-raise-questions-about-concuss/>

"1 in 4 college athletes say they experienced sexual abuse from an authority figure, survey finds"

<https://www.usatoday.com/story/news/nation/2021/08/26/college-athlete-report-sexual-assault-common-survey/8253766002/>

NCAA Sports Administrators and Coaches Paid Lavishly While Athletes Suffer

Head football coaches' salaries top \$13 million dollars with a maximum buyout of \$118 million:

<https://sportsdata.usatoday.com/ncaa/salaries/football/coach>

Texas A&M paid \$76 million just to fire a football coach for poor performance:

<https://www.nytimes.com/athletic/5056311/2023/11/12/buyout-jimbo-fisher-contract/>

Head men's basketball coaches' salaries top almost \$9 million with a top buyout of almost \$43 million:

<https://sportsdata.usatoday.com/ncaa/salaries/mens-basketball/coach>

Athletic director salaries top more than \$3 million:

<https://www.usatoday.com/story/sports/college/2024/08/29/tennessee-danny-white-salary-athletic-director/74995735007/>

NCAA and Power 5 conferences agree to unnecessarily cut sports rosters

"Part of the pending agreement would set new limits for the maximum roster size of every Division I NCAA-sponsored sport, reducing D-I opportunities by at least 4,739 if the settlement is approved."

https://www.espn.com/college-sports/story/_/id/42273737/college-athletes-face-national-signing-day-amid-uncertainty-new-roster-limits

Thank you again for the opportunity to participate in this hearing and I am committed to working with you in continuing discussions on this issue and other issues concerning college athletes' well-being.

Sincerely,



Ramogi Huma
NCPA Executive Director



DEPARTMENT OF THE TREASURY
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WASHINGTON, D.C. 20224

OFFICE OF
CHIEF COUNSEL

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UIL No: 117.00-00

The Honorable Richard Burr
United States Senate
Washington DC 20510

Dear Senator Burr:

I am responding to your letter dated March 28, 2014, in which you requested confirmation of the current federal tax treatment of college athletic scholarships. You also asked about the potential tax implications for athletic scholarships in light of the recent decision of a regional office of the National Labor Relations Board (NLRB) that all grant-in-aid scholarship football players at Northwestern University fall within the definition of employees under the National Labor Relations Act.

Regarding the NLRB decision, whether an individual is treated as an employee for labor law purposes is not controlling of whether the individual is an employee for federal tax purposes. Accordingly, the NLRB decision does not control the tax treatment of athletic scholarships. The treatment of scholarships for federal income tax purposes is governed by the Internal Revenue Code (Code).

Section 117 of the Code allows a taxpayer to exclude a qualified scholarship from gross income. A qualified scholarship means any amount received by an individual as a scholarship to the extent the individual establishes that, in accordance with the conditions of the grant, such amount was used for qualified tuition and related expenses. (section 117(b) of the Code.) Qualified tuition and related expenses means tuition and fees required for enrollment or attendance of a student at an educational organization and fees, books, supplies and equipment required for courses of instruction at such an educational organization. In general, a qualified scholarship does not include that portion of any amount which represents payment for teaching, research, or other services by the student required as a condition of receiving the qualified scholarship. (section 117(c) of the Code)

It has long been the position of the Internal Revenue Service that athletic scholarships can qualify for exclusion from income under section 117. Revenue Ruling 77-263, 1977-2 C.B. 47, addresses the tax treatment of athletic scholarships where the student athlete is expected to participate in the sport, and the scholarship is not cancelled in event the student cannot participate and the student is not required to engage in any other activities in lieu of participating in the sport. The ruling holds that the athletic scholarship awarded by the university is primarily to aid the recipients in pursuing their studies and, therefore, is excludable under section 117.

I hope this information is helpful. I am sending a similar letter to . If you have any questions, please contact me, or a member of your staff can contact , at () .

Sincerely,

John A. Koskinen