ONE HUNDRED SEVENTEENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON ENERGY AND COMMERCE 2125 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-6115

> Majority (202) 225-2927 Minority (202) 225-3641

October 19, 2021

Ms. Jacqie McWilliams Commissioner Central Intercollegiate Athletic Association 4725 Piedmont Row Drive, Suite 200 Charlotte, NC 28210

Dear Ms. McWilliams:

Thank you for appearing before the Subcommittee on Consumer Protection and Commerce on Thursday, September 30, 2021, at the hearing entitled "A Level Playing Field: College Athletes' Rights to Their Name, Image, and Likeness." I appreciate the time and effort you gave as a witness before the Committee on Energy and Commerce.

Pursuant to Rule 3 of the Committee on Energy and Commerce, members are permitted to submit additional questions to the witnesses for their responses, which will be included in the hearing record. Attached are questions directed to you from a member of the Committee. In preparing your answers to these questions, please address your response to the member who has submitted the questions in the space provided.

To facilitate the printing of the hearing record, please submit your responses to these questions no later than the close of business on Tuesday, November 2, 2021. As previously noted, this transmittal letter and your responses, as well as the responses from the other witnesses appearing at the hearing, will all be included in the hearing record. Your written responses should be transmitted by e-mail in the Word document provided to Ed Kaczmarski, Policy Analyst, at ed.kaczmarski@mail.house.gov. To help in maintaining the proper format for hearing records, please use the document provided to complete your responses.

Ms. Jacqie McWilliams Page 2

Thank you for your prompt attention to this request. If you need additional information or have other questions, please contact Ed Kaczmarski with the Committee staff at (202) 225-2927.

Sincerely,

Frank Pallone, Jr.

Chairman

Attachment

The Honorable Cathy McMorris Rodgers cc: Ranking Member Committee on Energy and Commerce

> The Honorable Jan Schakowsky Chair Subcommittee on Consumer Protection and Commerce

> The Honorable Gus Bilirakis Ranking Member Subcommittee on Consumer Protection and Commerce

Attachment—Additional Questions for the Record

Subcommittee on Consumer Protection and Commerce Hearing on "A Level Playing Field: College Athletes' Rights to Their Name, Image, and Likeness" September 30, 2021

Ms. Jacqie McWilliams, Commissioner, Central Intercollegiate Athletic Association

The Honorable Neal Dunn (R-FL)

1. My state of Florida is home to many of our nation's top athletes and collegiate athletic departments. Also, my son was a student athlete for the Syracuse University football team. And he eventually went on to play in the NFL.

I am supportive of student athletes having the ability to receive compensation for the use of their name, image, and likeness. But I am also concerned about the challenges studentathletes and athletic departments are now facing due to the current patchwork regulation.

Since NIL policies vary by individual universities and states, there will inevitably be unforeseen issues, such as state legislatures structuring their laws to provide better incentives for recruiting collegiate athletes, which will put certain schools at a disadvantage.

For example, looking at the ten states represented in the Atlantic Coast Conference, four states have state legislation, two states have executive orders, and four states have no guidance whatsoever.

a. While I support student-athletes having access to healthcare, I do not think this should be enforced by federal legislation, which could place burdensome financial standards on smaller institutions. How would schools in your conference fund a healthcare mandate?

Response: Institutions in our conference require all students to carry primary insurance and serve as secondary insurance provider for those in need. A healthcare mandate would undoubtedly increase premiums institutions are required to pay, which could result in reduced participation opportunities and elimination of high contact sports such as football, soccer, and women's softball.

It would be extremely difficult and burdensome (to nearly impossible) for schools in the Central Intercollegiate Athletic Association (CIAA) which are all non-revenue producing schools to fund a federal healthcare mandate (without major assistance). According to public reporting of revenue generated by college athletic programs, our programs often fall into the bottom tier. When compared with non-HBCU institutions our schools bring in less money from athletics but tend to be more reliant on it to support scholarships, facilities, equipment, medical, leadership programs, mental health, etc.... Additionally, the federal revenue reports thought to indicate institutions' total revenue does not align with actual funds available to fulfill the proposed 50% revenue-sharing contemplated in a previous proposal. At most of our universities, the only sports that produce net revenues are men's basketball and football. We use these revenues, often supplemented with university funds, to subsidize the additional sports programs our schools sponsor not only to fulfill NCAA required sport sponsorship, but also because outside of tuition and board, we believe intercollegiate sports provide student-athletes with opportunities for development of leadership, job access, teamwork, and other interpersonal skills outside the classroom.

Please keep in mind, the makeup of our HBCU conference schools is considered "limited resource" institutions. Contrary to the public, our programs do not produce enough revenue to support the overall funding of its operations and programs, thus an extension of healthcare beyond current mandates would most likely eliminate sports programs which consequently will eliminate the establishment and mission of this great conference for over 111 years to educate Black students. Athletics for CIAA is a true extension to their educational experience and a mandate as such would be detrimental to our mission.

b. Do you agree a student-athletes ability to profit from their NIL and federally enforced healthcare mandates are two separate issues?

Response:

Yes-I believe student athletes' ability to profit from NIL and federally enforced healthcare mandates are two separate issues.

I support and have always agreed that student-athletes should have the ability to profit from their NIL with reasonable parameters to protect student-athletes and preserve the student-athlete intercollegiate model to include the following:

- **<u>Prohibit Pay-For-Play</u>**: To maintain the amateur nature of college sports by precluding colleges and universities from paying student-athletes to play sports, either directly, or indirectly, through NIL licenses entered with their institutional sponsors and material athletic program boosters, not including academic program boosters.
- <u>Preserve Collegiate Recruiting</u>: To protect the integrity of recruiting rules by prohibiting the use of NIL as an inducement to enroll or remain enrolled at a specific university or college.

• <u>Preserve Standards</u>: To permit universities to preserve their standards and policies by prohibiting NIL agreements with advertising categories inconsistent with higher education (e.g., tobacco, alcohol, gaming).

I am extremely concerned that if there is not a uniform framework to address the disparities and diversity that the NCAA membership already has amongst 1,100 institutions, over 100 conferences and 500,000 student-athletes that compete annually, states will continue to rush to enact the most generous laws possible for recruiting purposes. It will be nearly impossible to have fair national competition with each state operating on different sets of rules that invariably create recruiting disadvantages for college athletes and member institutions from competing states. There is a need for clarity and consistency in educating and supporting our student-athletes as well as guidance for member institutions and conferences. We need a uniform federal standard that preempts the patchwork of states' laws that have and will continue (if allowed) to create an uneven playing field nationally for student-athletes.

Yes, I agree that the health care mandate is a separate issue and quite concerning as a college athletic administrator for close to 30 years in the industry. Under current insurance guidelines, student-athletes are permitted to remain on their parent's insurance plan until age 26. The secondary insurance being provided through the institution provides coverage for any health-related issues not covered by their primary. What we all see each weekend on television for game day is not always reality; in my case, not for CIAA student-athletes. I agree that the enormous revenue and high financial gains for the most high-profile and visible institutions and their benefactors is concerning, those scenarios are not the reality of most of our conferences and institutions and not close for the 23 Division II conferences such as the CIAA. Resource disparities already exist among our institutions; thus, I have additional concerns as shared on April 15, 2021, with Senator Maria Cantwell and other legislators about the proposed legislation beyond Name, Image and Likeness which will have disproportionate negative impact on the institutions that make up historic African American athletic conferences.

Sincerely,

Javqie McWilliams CIAA Commissioner