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

Jacqueline (Jacqie) D. McWilliams Written Testimony Central Intercollegiate Athletic Association (CIAA) September 30, 2021

Chairwoman Schakowsky, Ranking Member Bilirakis, and Members of the Subcommittee,

Thank you for the invitation to serve as a witness for the hearing entitled "A Level Playing Field: College Athletes' Rights to Their Name, Image, and Likeness." I often express that participating in sports saved my life, thus my commitment to working in NCAA intercollegiate athletics for almost 30 years expands in some capacity to all three divisions. My service includes coaching in elite programs, compliance and governance, internal and external operations, 9 ½ years working in championships at the NCAA national office and now serving in my 10th season as the Chief Executive Officer/Commissioner of the Central Intercollegiate Athletic Association (CIAA), which is the first Historically Black College and University athletic conference in the country that was established in 1912. As a member of the NCAA membership and association, I am grateful for the opportunities that I've had to lead in this industry to include serving as chair for NCAA Division II Management Council, being selected to serve on the NCAA Board of Governors FSLWG committee on Name, Image and Likeness, the Cultural Diversity committee and currently the NCAA Gender Equity Task Force to name a few.

I have been an active participant in the NCAA and a beneficiary since I was 18, attending Hampton University as a two-sport Division II student-athlete from 1987-1991, winning multiple conference championships in volleyball, to include participating on the 1988 NCAA DII National women's basketball championship team. I furthered my education at Temple University with a master's degree in sports management and administration with the intent of pursuing a career in sports where I could be part of the solution to create experiences beyond my own. Without the athletic scholarship and financial support from Hampton University, the CIAA and NCAA post-graduate scholarships, and opportunities because I was a student-athlete, I would not be here today. I am certain that if most student athletes reflect on their platform and experiences through sports despite the level, like me, they will value the access and the privileges they have been provided to attend college and play the game they love no matter the division.

Name, image, and likeness belongs to each of us; thus, the provision of the federal mandate clearly gives our students the best opportunity to identify ways to use their talents off the court. In the case of my conference, I serve 13 Division II institutions that includes 7 private and 6 public institutions with over 3,000 student-athletes that are 90% African American, and most of which tend to be first generation college students. CIAA schools span five (5) states with different laws to support NIL, including Pennsylvania, Maryland, Virginia, North Carolina, and South Carolina. Although individual states have opened doors for these athletes to explore the market, the laws are inconsistent with no uniform guidelines to regulate, enforce and support the interest of the student athletes.

I support a federal framework on NIL with reasonable parameters to protect student-athletes and preserve the student-athlete model to include the following:

- O Prohibit Pay-For-Play: 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.
- Preserve Collegiate Recruiting: 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).

Having a uniform framework will 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. There is a need for clarity and consistency in educating and supporting our student athletes to guide our member institutions and conferences. We need Congress to act urgently to establish a uniform federal standard and preempt a patchwork of states' laws that have created an uneven playing field nationally for student-athletes otherwise, states will continue to rush to enact the most generous laws possible for recruiting purposes which makes it difficult to have fair national competition when each state is operating on different sets of rules which creates recruiting disadvantages for college athletes and member institutions.

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 are concerning, those scenarios are not the reality of most of our conferences and institutions. Athletic programs help define our institutions culture, reputation, visibility, and revenue potential from donors and sponsors. The success and failures of our athletic programs impact our ability to build and sustain without compromising the academic programs which are primary to the foundation of our HBCUs. 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 aspects some federal bills that attempt to legislate on issues outside NIL, and the disproportionate negative impact they will have on the institutions that make up historic African American athletic conferences:

- o Bills that mandate specific financial obligations will have a significant negative impact on many of our institutions, as their athletics budgets already have thin margins. Any additional assessment of these stressed budgets, like the revenue sharing and medical trust fund provisions, could doom certain programs and severely limit the offerings of others.
- o Financial penalties for schools that do not comply with the proposed legislation are extremely punitive, appear to be mandatory, and will serve only to hurt all student-athletes at a university that violates the legislation. A university could

lose 75-85% of its total annual revenue in one year (50% revenue share an additional 20-30% penalty for violation plus a 2.5% medical trust fund).

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. 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 the certain proposals. 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.

My understanding and value of the student-athlete experience and the opportunities provided is a combination of my own experience as a black female who attended an HBCU and as a leader in the industry that has worked all levels in some capacity. As the Commissioner of a conference where its member institutions have been historically underfunded, I often think about what my experience would have been if I would have had the opportunity to use my platform as a college athlete to build an enterprise, solicit sponsors and partners to build upon the brand of my athletic and academic abilities at my great institution in a state whose mandates may not be as competitive as others. Would I still have the same access and opportunity as other athletes who may be in non-HBCU institutions that have more access to resources, television, scholarships, and brand recognition because of the exposure of their football and basketball programs? Would I be concerned with equity and have the same access as our men's basketball and football teams? Would my institution be seen and have the resources to provide the necessary education and create a system to ensure I was meeting federal, state, and institutional guidelines? Would my institution seek to create a group license to benefit all programs and not just one?

The doors are open, and our student athletes will relish taking advantage of the opportunity. As a leader in the industry my desire is that there are additional Federal mandates, there is consistency amongst state regulations and that the NCAA, which includes the staff, the membership, and the association, establishes guidelines for enforcement and educational resources to ensure that our students have the best opportunity to succeed on a level playing field.

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