HEARING BEFORE THE UNITED STATES HOUSE ENERGY & COMMERCE COMMITTEE: SUBCOMMITTEE ON INNOVATION, DATA & COMMERCE

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Written Testimony of Charlie Baker President, National Collegiate Athletic Association

Chairman Bilirakis, Vice Chairman Walberg, Ranking Member Schakowsky and distinguished members of the Subcommittee, thank you for the opportunity to speak with you all today. Since March of 2023, I have had the pleasure of being president of the NCAA, after serving the Commonwealth of Massachusetts as Governor from 2015 to 2023. Before leading the Association, I, along with my wife and two of our three children, were NCAA student-athletes and saw how college sports taught our family valuable lessons about teamwork, responsibility, and humility. The NCAA today supports over 500,000 student-athletes across 90 championships and three divisions.

The Association mission is to provide world-class athletics and academic experiences for student-athletes and college sports' is one of the greatest human development programs in the world.

Because college sports have been too slow to modernize and too resistant to change and because of emerging threats from outside entities, those opportunities that only college sports can provide young people are at risk and our ability to provide those experiences is under attack.

That's why I took this job. I am committed to exhausting every option available to lead these long overdue modernization and change efforts. The NCAA is already making progress on studentathlete welfare and academic success – issues many on Capitol Hill correctly called for in years past. And the NCAA just passed one set of NIL reforms. But before I detail those changes underway at the NCAA, I want to thank the Members of this Subcommittee and the many other Representatives and Senators in Congress for their work in assisting with the modernization of college athletics over the last few years. Early into my tenure as President of the NCAA, I met with Chairman Bilirakis to discuss the importance of federal legislation, and how assistance from Congress could help chart a path forward. The 500,000 student-athletes I serve are fortunate to have true partners in the Chairman and the growing bipartisan coalition of lawmakers including members of this sub-committee, Congresswomen Dingle and Trahan and others committed to addressing these issues. Senators Booker, Blumenthal Moran and as well as Senator Cruz, and Senators Manchin and Tuberville have thankfully stepped forward to author pieces of legislation that I believe demonstrate Congress's sincere attention to the issues college athletes are facing. The work this Subcommittee and Congress are poised to do to help support student-athletes in each of your districts will have an incredible impact on your constituencies for many years to come. And I am enormously thankful for everyone's efforts to date.

COLLEGE SPORTS REFORMS

I am proud to share that in the last year, the NCAA has taken numerous steps to modernize our model by passing new bylaws mandating schools provide significant health coverage, mental

health services and academic protections including guaranteed scholarships. The NCAA also passed new bylaws just last week to clarify and safeguard how student-athletes can profit from their name, image, and likeness. Those recent reforms include several polices I and the student-athletes who serve on our governing bodies are tremendously proud of:

- <u>Project DI:</u> The Division I Council has recently <u>been tasked</u> with developing a framework for Project DI which will address enhanced educational benefits, allow for schools to enter into direct NIL licensing with student-athletes, and create a new subdivision for higher-resourced schools to provide additional financial support (while in compliance with Title IX). Final recommendations we hope will be voted on by the DI Board of Directors for implementation.
- <u>Student-Athlete NIL Protections:</u> Just last week, on January 9, the Division I Council <u>unanimously passed rules</u> establishing student-athlete protections related to name, image and likeness, including voluntary registration, disclosure requirements, standardized contracts, and comprehensive NIL education. More work needs to be done to stabilize the NIL environment, but this first step has been critical to ensuring student-athletes are better positioned to make informed decisions.
- Greater Opportunities and Exposure for Women's Sports: This month the NCAA and ESPN reached a new eight-year media rights agreement for 40 NCAA championships in 19 men's sports and 21 women's sports plus the men's National Invitation Tournament and the Women's Basketball Invitation Tournament. The agreement also expands coverage for Division II and Division III championships, guarantees ten different championship selection shows to be aired on ESPN, and increases storytelling programming. We are excited about the opportunity this agreement brings student-athletes across genders, sports and divisions.
- New, Mandatory Health and Academic Benefits for Student-Athletes: Starting this fall, all DI members must offer degree completion funds for up to 10 years after a student-athlete's eligibility concludes and must guarantee scholarships. Schools must also provide health coverage, and mental health support consistent with new best practices.
- <u>Student-Athlete Insurance Fund:</u> This fund launched just months ago will take effect in August of 2024, and <u>will provide</u> student-athletes from all NCAA divisions access to health insurance for athletically related injuries up to two years after graduation.

LEGISLATIVE PRIORITIES

The NCAA is making changes to improve outcomes for student-athletes across all three divisions and is acting to clarify and improve the NIL environment, but there are significant issues outside our control we believe Congress can address. Mounting threats from outside entities could change nearly every aspect of colleges sports, without the input from student-athlete leadership and in direct opposition from educational institutions serving the historically underserved.

I and the NCAA share the opinions of student-athlete leaders from every division and dozens of conferences across the country that college sports must be safeguarded from these outside efforts To do just that, to strengthen future opportunities for student-athletes across gender, division and sport, and to ensure that millions of your constituents benefit from college athletics, student-athlete

leadership and the NCAA are eager to partner with Members of Congress on the following priorities:

- Improve NIL Outcomes for Student-Athletes: The NCAA's recent changes to NIL bylaws will help student-athletes make informed decisions and we anticipate making additional changes to clarify the role of schools in NIL; however, our rules can only go so far. We want to partner with Congress to adopt reasonable restrictions on third parties that are exerting influence in inappropriate ways while ensuring every college athlete is free to profit from their NIL rights.
- <u>Student-Athlete Well-Being:</u> Our bylaws currently require Division I schools to provide student-athletes with guaranteed scholarships, academic support, degree completion funds, healthcare for sport-related conditions, life skills training, and access to mental health and well-being resources. We are open to working with congress to make these requirements law. Similarly, the NCAA will soon provide post-eligibility injury insurance for student-athletes across all divisions and again support making this program required by law.
- Protect Opportunity: We would like to work with Congress to codify current regulatory guidance into law by granting student-athletes special status that would affirm they are not employees of an institution. Doing so will allow student-athletes to receive enhanced benefits while protecting all athletic programs from one-size fits all actions in the courts. This would create consistency across public and private institutions, protect the Olympic pipeline, and safeguard equitable, sustainable access for the more than 500,000 student-athletes, including international student-athletes and those student-athletes at under-resourced schools, most Historically Black Colleges and Universities, and all Divisions II and III schools.
- <u>Protect Title IX</u>: Bolster Title IX provisions to ensure that the law and regulations are appropriately applied to marketing or facilitation of NIL agreements for prospective or current student athletes.

I am grateful to Chairman Bilirakis for his support of college sports and for introducing draft legislation designed to protect this enterprise we all love. The Association applauds his efforts to support student-athletes and create a level-playing field by preempting state NIL laws and proposing important protections for college athletes. Importantly, this proposal addresses the critical issues of student-athlete employment and ongoing, unsustainable litigation by our conferences and schools.

Additionally, we believe schools, conferences, and the NCAA - as opposed to a federalized structure - are best positioned to govern colleges sports. As a former elected official, I understand the need for some level of public accountability but also share the concern of many with inserting government too deeply into activities such as sports. I am confident all parties involved can reach a compromise where the promise of college of athletics is advanced while the schools and leagues retain the ability to effectively govern college sports.

CONTINUED CONGRESSIONAL PARTNERSHIP

College athletics are a uniquely powerful and beloved institution in the United States. They provide a way for young adults to chase their athletic dreams while simultaneously achieving a college education. College sports generate \$3.8 billion in annual scholarships, and serve as the premier stage for women's sports, support the local economies and bring communities together every single day.

I routinely see social media posts from members of Congress, state legislators and local leaders

about how student-athletes are making their communities proud – from winning championships and inspiring the youth to exercise, to donating their time to helping others and achieving incredible academic feats. Student-athletes are leaders inside and outside the classroom, and sports are a critical development tool for them as they move through the higher education system. Along with advancing to the professional and Olympic levels of their sports, former student-athletes have gone on to succeed in many other fields, such as medicine, business, law and politics – many of your peers in the House of Representatives and Senate are in fact former NCAA student-athletes.

As a former elected official, I understand that Congress has a multitude of pressing issues to address – so I am thankful for the opportunity to speak with all of you today. Please know the NCAA is making changes to benefit student-athletes and I am excited to fully address the issues college sports face in partnership with lawmakers. Together, we can ensure the opportunity to compete at the highest level while getting a world class education for years to come.