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MOVING THE GOALPOSTS: HOW NIL IS RESHAPING

COLLEGE ATHLETICS

TUESDAY, MARCH 4, 2025

House of Representatives,

Subcommittee on Commerce, Manufacturing, and Trade,

Committee on Energy and Commerce,

Washington, D.C.

The subcommittee met, pursuant to call, at 10:18 a.m., in Room 2123, Rayburn House Office Building, Hon. Gus Bilirakis [chairman of the subcommittee] presiding.

Present: Representatives Bilirakis, Fulcher, Harshbarger, Obernolte, Bentz,
Houchin, Fry, Lee, Kean, Evans, Goldman, Guthrie (ex officio), Schakowsky, Castor, Soto,
Trahan, Clarke, Dingell, Veasey, Kelly, Schrier, and Pallone (ex officio).

Also Present: Representatives Carter of Georgia, Pfluger, and Joyce.

Staff Present: Ansley Boylan, Director of Operations; Jessica Donlon, General Counsel; Kristin Fritsch, Professional Staff Member, Health; Sydney Greene, Director, Finance and Logistics; Natalie Hellman, Professional Staff Member, Commerce, Manufacturing, and Trade; Megan Jackson, Staff Director; Daniel Kelly, Press Secretary;

Sophie Khanahmadi, Deputy Staff Director; Alex Khlopin, Clerk, Commerce,
Manufacturing, and Trade; Joel Miller, Chief Counsel; Brannon Rains, Professional Staff
Member, Commerce, Manufacturing, and Trade; Evangelos Razis, Profesional Staff
Member, Commerce, Manufacturing, and Trade; Chris Sarley, Member
Services/Stakeholder Director; Emma Schultheis, Clerk, Health; Kaley Stidham, Press
Assistant; Matt VanHyfte, Communications Director; Hannah Anton, Minority Policy
Analyst; Shana Beavin, Minority Professional Staff Member; Keegan Cardman, Minority
Staff Assistant; Waverly Gordon, Minority Deputy Staff Director and General Counsel;
Tiffany Guarascio, Minority Staff Director; Lisa Hone, Minority Chief Counsel, Commerce,
Manufacturing, and Trade; Mackenzie Kuhl, Minority Digital Manager; Phoebe Rouge,
Minority FTC Detailee; and Hannah Treger, Minority Intern.

Mr. <u>Bilirakis.</u> The committee will come to order. The chairman recognizes himself for a five-minute opening statement.

Good morning, everyone, and thank you to our witnesses for being here. We really do appreciate it very much.

I am really excited to hold this hearing today on the evolving landscape of name, image, and likeness, commonly known as NIL, and its impact on college athletics.

In just a few years, college athletics has fundamentally reshaped the lives of student-athletes who can now benefit from their NIL.

Before 2021, athletes were barred from profiting off of their own NIL, but in response to legal challenges and a Supreme Court decision, the NCAA ended those restrictions, finally giving our student-athletes their much-deserved ability to earn compensation for their brand and their God-given talent.

However, the absence of a preemptive uniform standard has led to the "Wild West," most would agree with that, a "Wild West" environment where, sadly, our student-athletes are put in vulnerable positions where they can easily be exploited by those who do not have their best interests in mind.

I have heard awful stories of student-athletes signing deals without having been given full explanations for how their deal would impact their long-term finances and livelihood.

This lack of structure has also allowed NIL collectives, who are often affiliated with universities but operating independently, to turn NIL into a pay-for-play system. Instead of being used for legitimate business purposes, NIL deals are frequently given out as recruiting inducements with little transparency or oversight. We have to fix that, folks.

I am also concerned about the transfer portal. All of us want to make sure student-athletes have the freedom to make the best collegiate and educational

decisions -- after all, that is why we go to college, to get a good education -- but educational decisions for themselves and for their future.

But this current system is not workable, as athletes are entering the portal at an unprecedented rate, sometimes multiple times in their careers, with a hope, but not a guarantee, for something better.

I am sure we have all heard the stories of student-athletes being encouraged to transfer schools based on promises of NIL money that never materializes. Others transfer expecting better playing time only to find themselves in a worse situation.

This revolving door system has created instability for both athletes and the programs they leave behind, with many student-athletes ending up without a clear academic or athletic path.

We often focus on NIL and the business side of college athletics, but we must remember that these are still student-athletes, young men and women who are supposed to be receiving an education that prepares them for a life beyond sports.

Yet too many are making life-altering financial and academic decisions without the proper guidance. Some are signing NIL deals without understanding tax and legal implications.

And you can't blame them. Most of these, while they are 18-year-olds in some cases, but some are even younger, so they are going to need some guidance, folks.

Others are transferring from school to school without receiving the academic support they need to graduate.

If we are serious about protecting student-athletes -- and I hope we are -- we need to ensure that they have the resources and education necessary to navigate this new era successfully. That is why I am so glad to have Emily and Anthony with us here today.

Thank you for sharing your stories as student-athletes and how you were able to traverse this complex environment. We really appreciate it. It gives all student-athletes the chance to learn and better themselves.

That brings me to a point I really want to drive home. We are working on this issue not to put one school over another -- although I am a Florida Gator and I would like to see another national championship sometime soon -- but again, not one school over another. We have got to protect the small schools as well. We have Division I, but we have to look out for the medium-size and small schools as well.

So, no, we are doing this for the student-athletes, and that is what we are doing it for. We must protect these student-athletes, folks. We have a responsibility to do so. Unfortunately, they haven't been protected in the past, so Congress has to intervene with preemption, in my opinion.

So I will say it again: We are doing this for the student-athletes, for the young men and women who advance to college, so they can continue playing the sport they love and use that experience to help them succeed throughout their lives. It could be a wonderful experience.

So it is crucial we establish a preemptive standard, as I said, that protects student-athletes but also doesn't endanger the many sports programs that we don't see on ESPN or that bring in millions of dollars.

I know I am over, aren't I? Yeah. Well, let me just finish here. And I will give you the opportunity, Ranking Member, to go over if you would like.

Again, folks, we must protect the student-athletes and we must protect the Olympic sports and the non-revenue sports as well.

So this is too important of an issue to get wrong. I think you know that. So I look forward to a thoughtful discussion and working towards solutions that support both

6

student-athletes and the long-term future of college sports.

With that, I yield back, and I will recognize the ranking member, the ranking member of the subcommittee, my good friend, Ms. Schakowsky, for five minutes for her opening statement.

[The prepared statement of Mr. Bilirakis follows:]

7

Ms. Schakowsky. Thank you, Mr. Chairman.

I certainly agree that we want to make sure that the health and safety of our athletes is always protected. That has been my view and action ever since we have been talking about student-athletes. And that is important. And so I want to work with you on that.

But I want to say there is actually a bigger issue right now. We find that there are other items, which include the fact that the Trump administration has cut the research funding for our universities, for our places that have to conduct the things for the athletes.

And that is even more important, because if there is not money for the institutions to have, then there is not going to be able to be student-athletes. And that is why this is not enough. We have to do much more.

And with that, I want to call on Congresswoman Robin Kelly to talk further about this larger problem that we are facing. And I yield to Robin Kelly.

[The prepared statement of Ms. Schakowsky follows:]

Ms. <u>Kelly.</u> Thank you, Chair Bilirakis and Ranking Member Schakowsky, and thanks to all the witnesses for their participation.

One thing I hope we can all agree on is that college athletes deserve a system that protects their well-being and interests.

However, while the rapid evolution of college athletes benefiting from their name, image, and likeness rights may feel chaotic to the NCAA, the conferences, and the universities, it has provided enormous benefits to college athletes.

By contrast, universities are now navigating a truly unpredictable environment when it comes to funding for vital academic and research programs. I am deeply concerned about the potential impact of proposed cuts to funding for the NIH. That is one of the real crises that this committee should be focused on.

Last month, the Trump administration issued an executive order that would drastically lower the agency's funding for major research institutions across the country. The policy, currently blocked by a Federal court, would limit NIH research funding for indirect costs to 15 percent, which is far below what most universities receive and what they need to support their programs across the entire country, including historically Black colleges, minority-serving institutions, as well as Hispanic-serving institutions, small universities, and large Division I schools.

The misconception that NIH funds only benefit top tier universities overlooks the critical support these funds provide to a wide range of institutions in both Republican and Democratic districts. For example, HBCUs, MSIs, and HSIs received hundreds of millions of dollars in 2024 to support vital medical research.

These funds are essential for maintaining research buildings and labs, covering administrative costs, purchasing supplies and equipment, and paying support staff.

NIH grants are a lifeline for many universities, ensuring that research and

education can thrive in institutions of all sizes and backgrounds. The reduction in NIH funding is a financial earthquake and would directly affect college athletes as well.

Research in sports medicine, head injury prevention, and athletic performance relies on Federal funding, much of which comes from the NIH. If this funding is reduced or eliminated, it will only create more challenges for college athletes and hinder the development of critical programs that protect their health and safety.

Of course, the impact extends far beyond athletic injuries. NIH funding of clinical trials and other medical research is vital in ensuring that all populations are represented in our Nation's biomedical research.

For medical breakthroughs to occur and be truly effective, they must include diverse participants reflecting a range of racial, ethnic, and gender identities. Therefore, the need for inclusive research is not only a matter of fairness, but of public health.

We simply cannot afford to have the well-being of our students -- whether in the classroom, in a research lab, or on the field -- be compromised by unnecessary funding cuts by the Trump administration. We must continue to support our universities, including their research initiatives, to ensure that they remain centers of excellence for all students.

I have an article from The Washington Post that I would ask unanimous consent to enter into the record titled "Hiring freezes, fewer grads: Funding uncertainty hits colleges."

I urge my colleagues to remain mindful of the larger funding issues that could jeopardize the future of both education and research in this country.

Thank you, and I yield back to Ranking Member Schakowsky.

[The prepared statement of Ms. Kelly follows:]

Ms. <u>Schakowsky.</u> I yield back.

Mr. <u>Bilirakis.</u> Okay. Thank you very much. And I look forward to working on some of these healthcare issues in the healthcare subcommittee and the full committee as well.

Now I recognize Chairman Guthrie for five minutes for his opening statement.

The <u>Chair.</u> Thank you, Mr. Chair. Thanks for yielding. I appreciate it.

It is nice sitting next to my loyal Gamecock here, and he is proud to have his team represented here at this hearing today.

I really appreciate you being here and bringing the opportunity to be here. I know it can be a long trip and can sometimes be intimidating sitting at the witness stand. It means a lot that you are here to represent your sports.

Today, college athletics is a multi-billion-dollar industry fueled by the dedication and talent of student-athletes. Some of you here today know how hard you worked to get where you are.

For decades, student-athletes were prohibited from earning money from their own name, image, and likeness, even though sports brought significant revenue to universities, conferences, and the NCAA.

That changed in 2021 as the NCAA, undergoing mounting pressure from State laws, lawsuits, and Supreme Court ruling, lifted its restrictions. As a result, student-athletes could finally profit from their own name, image, and likeness, and rightfully so.

This is a long overdue step finally allowing student-athletes the opportunity to benefit financially from their talent, hard work, and public personas.

But the rapid rollout of NIL has introduced new complexities and challenges. The absence of a uniform national framework has allowed a patchwork of State laws and

institutional policies to grow, creating disparities and confusion among student-athletes and universities alike.

So far, 33 States and the District of Columbia have passed NIL laws, oftentimes focusing on creating a competitive advantage for their States and State universities instead of prioritizing good policy.

As this subcommittee knows well, a patchwork of State laws leads to uncertainty, inconsistency, and confusion.

One of the more concerning developments is the rise of what we have now, the pay-for-play system. Third-party groups have blurred and in some cases fully wiped away the lines between legitimate NIL opportunities and outright recruiting inducements.

Without clear rules or transparent practices, some student-athletes are being misled by bad actors and are pressured into signing unfair contracts that may not serve their best interests.

Adding to this transformation, the preliminary NCAA settlement could permanently alter a financial model of college athletics. It finalized a \$2.8 billion deal in back damages that will be distributed to current and former student-athletes while institutions, beginning in the next school year, will be allowed to share revenue directly with student-athletes, a move that will fundamentally change the way college sports operate.

While the NCAA settlement could bring much needed structure and stability to the current landscape, it may not be sufficient to address the opportunities and challenges posed by NIL.

As we examine this issue, our goal is to consider the implications of the NCAA settlement, assess the current state of NIL policies, and explore legislative solutions that serve student-athletes, educational institutions, and conferences they compete in.

13

Like many of you, my family and I have cherished memories of cheering our

favorite teams on campus. Go Hilltoppers! We watch young athletes grow into

leaders both on and off the field.

I know my colleagues agree with me that we must preserve the spirit and virtue of

collegiate athletics and ensure non-revenue-generating programs are protected.

I am grateful that our witnesses are willing to be here today -- I know you

volunteered to be here today -- to help us better understand the opportunities and the

challenges that NIL presents. I look forward to an informative discussion on how our

committee can help shape a sustainable and transparent NIL system.

I appreciate you all being here.

And I will just say I talked with my friend end of last year. The way you guys

were playing at the end of the year, if you all had gotten in the playoffs, you might have

gone a long way. You really put that team together in an impressive way. And those

of us who are from other SEC schools, fans, it is always good to have everybody

successful, so along with my good friend here.

So I will yield back.

[The prepared statement of The Chairman follows:]

Mr. <u>Bilirakis</u>. Thank you very much. The chairman yields back.

And now I will recognize the ranking member of the full committee, Mr. Pallone, for his five minutes.

Mr. Pallone. Thank you, Mr. Chairman.

Last Congress at two hearings on college athletics we heard widespread agreement from witnesses that finally allowing college athletes to profit from their name, image, and likeness is a good thing and represents a long overdue change in college sports.

But today if we want to focus on the real crisis impacting our colleges and universities, we should be focusing on the financial disaster that they are facing at the hand of President Trump and his complicit Republican Congress.

Trump has cut funding from the National Institutes of Health, to our colleges and universities, and froze their ability to access current grant funding and apply for future funding.

Colleges and universities are now scrambling to figure out how they are going to proceed with their research programs and the cuts threaten their ability to conduct critical clinical trials for cancer, heart disease, children's health, and a lot more.

And this is a major crisis, yet Republicans are ignoring it and would rather talk about college sports. And talk about misplaced priorities.

I would now like to yield two minutes each to two of our Democratic Representatives. First, two minutes to Representative Trahan.

[The prepared statement of Mr. Pallone follows:]

Mrs. <u>Trahan</u>. I thank the ranking member for yielding.

As a former DI college volleyball player, the topic of today's hearing hits home.

But I want to begin by echoing the ranking member's concerns about the biggest threats facing colleges and universities today. After all, I wasn't just an athlete at Georgetown. I was a student.

I was the first in my family to graduate from college, and I saw the transformative impact of higher ed, and I am deeply troubled that the actions by the Trump administration will jeopardize higher education and strip future generations of the opportunity we as athletes were afforded.

As this committee has heard in previous hearings, athletes must be centered in any debates that will affect the future of college sports. Since I came to Congress, my work in this area has been guided by that simple principle: Putting athletes first.

However, I am concerned that the majority will put forward legislation that will roll back progress and restrict athletes, limiting their financial opportunity, denying them health and safety benefits, and failing to close the rampant Title IX loopholes robbing thousands of women across the country from athletic opportunities.

Instead, I implore my Republican colleagues to work with me on the legislative proposals I have put forward.

When I wrote the Fair Play for Women Act, I did so with the knowledge that schools were systemically taking advantage of Title IX loopholes that deprive women athletes of roster spots.

When I introduced the College Athletic Economic Freedom Act to establish a Federal right for athletes to pursue NIL opportunities, I had in mind countless stories of athletes unable to fly their parents in to watch them play or going to bed hungry all because they couldn't make money off their own name and their schedules were too

16

demanding to get a second job.

As this committee and our colleagues in the Senate look to pass Federal standards on NIL, revenue sharing, or athletes' employment rights, we must meet this moment and prioritize the athletes as opposed to enshrining the power structures that have limited their opportunities for decades. Otherwise, we risk jeopardizing the tremendous gains in recent years with one-sided proposals that provide much less than our Nation's athletes deserve.

Thank you, Ranking Member. I yield back.

[The prepared statement of Mrs. Trahan follows:]

Mr. <u>Pallone</u>. Thank you.

And I yield now to the biggest champion for the University of Michigan, Mrs. Dingell.

Mrs. Dingell. Go Blue!

Thank you, Ranking Member Pallone.

Before I dive in, I want to echo the ranking member's earlier comments.

National Institutes of Health funding is vital. I have heard from countless researchers in my district who are terrified about what this means for the future of biomedical research in the United States.

This action by the Trump administration threatens to undo the progress our Nation's premier research universities have made and will stump future scientific breakthroughs.

I am hopeful my colleagues will join us to fight for colleges and universities to receive adequate funding from NIH to support their vital research missions.

But since this hearing is on the NIL, I want to turn to college sports.

College sports are the lifeblood of so many communities across the country. As someone who represents a significant college athletic population at schools big and small, I am committed to crafting Federal legislation that ensures all college athletes are heard, protected, and prioritized.

I am lucky to have both the University of Michigan and Eastern Michigan
University, two very different schools, we have got to protect for their phenomenal
college athletic programs and their expertise.

I want to thank the chair for holding this hearing. With everything happening in college sports since the last time we convened on this topic, I think it is important to start these conversations early this Congress.

18

I look forward to working with Chair Bilirakis, Ranking Member Schakowsky, my colleague Mrs. Trahan, and other members of this committee on Federal legislation that both protects and empowers college athletes.

This isn't just about the top athletes on the top 40 football and basketball teams. We need to get this right for more than 500,000 college athletes nationwide.

And with that, I yield back.

[The prepared statement of Mrs. Dingell follows:]

Mr. <u>Bilirakis</u>. Gentlelady yields back.

And now I am going to introduce our witnesses.

I really appreciate you all being here. I know that it could be intimidating and sometimes you give your views in public and become a little controversial. You are here representing yourselves more than your university. But I get a lot of opinions from athletes and coaches, but they don't want to come and testify. So I just give you so much credit for doing this.

So hopefully we will learn. We need to hear from you. Rather than us talking, we need to hear from you so we get a good bill. We need a good bill, and we have to work in a bipartisan fashion to get a good bill.

So without further ado, I introduce the witnesses.

Ms. Emily Cole, All-American track athlete, Duke University, class of 2024.

Thank you for being here. We appreciate you so much.

Mr. Justin Falcinelli. He is a former college athlete, Clemson University -- so you are representing the ACC -- and vice president of the College Football Players Association.

Welcome.

Mr. Anthony Egbo, a football athlete, Abilene Christian University, class of 2024.

Thanks for being here, Anthony.

And then we have Mr. Josh Whitman, who is an athletic director at the University of Illinois. Go Illini! And we have got an Illinois Member of Congress here, our ranking member, so she will be happy about that.

And then we want to introduce -- I am going to yield to Representative Fry on this introduction -- but a great coach and an outstanding individual and comes from a great family.

So I really appreciate you being here, sir, representing yourself, but you are also

representing to a certain extent the SEC.

So thank you very much.

I am going to yield to Representative Fry to introduce our guest.

Mr. Fry. Thank you, Mr. Chairman.

I am honored to introduce the head football coach of the South Carolina Gamecocks, Shane Beamer.

Good to see you, sir.

Since taking over as head coach of the University of South Carolina in December of 2020, Coach Beamer has led the program to historic success, securing the most wins through four seasons of any coach in the Carolina football history.

This past season Coach Beamer was his most successful yet, guiding the Gamecocks to nine wins, including a win over Clemson University -- I am sorry, sir -- and earning the SEC coach of the year honors from both the Associated Press and the USA Today.

You know I had to do this, right?

As the son of legendary coach Frank Beamer, Shane has been immersed in college athletics his entire life -- which I think is really important to guide us in this discussion today -- bringing a deep understanding of the game and the evolving landscape of college sports.

This fall he will open up the 2025 season against Virginia Tech, his alma mater and the program that his father built, where I fully expect that he will put on full display the SEC dominance in this non-conference matchup.

Coach Beamer is uniquely positioned to navigate the challenges of NIL and the ever-changing world of college athletics, ensuring that his players are prepared for success both on and off the field.

And I will say because all coaches seem to be players coaches. Coach Beamer has made it a hallmark of his coaching career to be really focused on the players. And so I think that vantage point is really important today.

I want to thank him for his time today, and look forward to his testimony.

With that, Mr. Chairman, I yield back.

Mr. <u>Bilirakis.</u> Thank you. Gentleman yields back.

Now I will recognize Ms. Cole.

You are recognized for five minutes for your testimony. Again, thank you for being here.

STATEMENTS OF MS. EMILY COLE, ALL-AMERICAN TRACK ATHLETE, DUKE UNIVERSITY

'24; MR. JUSTIN FALCINELLI, FORMER COLLEGE ATHLETE, CLEMSON FOOTBALL, AND

VICE PRESIDENT, COLLEGE FOOTBALL PLAYERS ASSOCIATION; MR. ANTHONY EGBO, JR.,

FOOTBALL PLAYER, ABILENE CHRISTIAN UNIVERSITY '24; MR. JOSH WHITMAN,

DIRECTOR OF ATHLETICS, UNIVERSITY OF ILLINOIS; AND COACH SHANE BEAMER, HEAD

FOOTBALL COACH, UNIVERSITY OF SOUTH CAROLINA

STATEMENT OF EMILY COLE

Ms. <u>Cole.</u> Perfect. Thank you so much. I am honored to be here.

Chairman Guthrie, Ranking Member Pallone, Chairman Bilirakis, Ranking Member Schakowsky, and distinguished members of the Subcommittee on Commerce, Manufacturing, and Trade, thank you for the opportunity to testify before you today on the important topic of how name, image, and likeness, NIL, is reshaping college athletics. And happy Mardi Gras.

Some of you might know me as the Duke runner who went viral for documenting my week-long journey getting a knot out of my hair after running in the rain. While this moment may have been lighthearted, it highlights the immense reach of college athletics, reach that was once largely limited to sports like men's football and basketball but is now extended to female and nonrevenue sports thanks largely to the power of social media.

When I arrived at Duke in 2019 I was eager to pursue both my academic and athletic goals. But just as my journey was beginning, the world came to a standstill. During my freshman year, the pandemic hit.

After spending months at home, unsure if we would have a cross country season

or even return to campus, I decided to take a gap semester to pursue a two-year-long project.

That fall I began writing my first book, "The Players Plate: An Unorthodox Guide to Sports Nutrition," which was inspired by my experience falling into a two-day coma at 17 years old due to overhydration and a lack of sodium.

Conveniently, its publication aligned with the new NIL laws, officially making me the first NCAA athlete to write and profit from a book using my NIL.

At the same time, my athletic career was taking off. I qualified for the NCAA championships for the first time, earned All-American honors, and qualified to compete in the U.S. Track and Field Championships where I had the opportunity to race against my idols.

These experiences allowed me to build a personal brand rooted in my passions and positioned me at the forefront of how Olympic and female athletes could benefit from the new NIL policies.

While much of the NIL conversation centered around football and basketball, my journey demonstrated how athletes in sports without large TV advertising contracts who had long been overlooked in these discussions could also leverage their brand in impactful ways.

Today I have over 700,000 followers across platforms and I strive to use my position to inspire young athletes to fuel their bodies well, chase their dreams, and build the confidence they need to pursue their goals in sport, education, and life.

While I initially negotiated all my brand deals on my own, I quickly realized this was not sustainable amid my academic and sport responsibilities. That is when I connected with an agency who already had experience with college athletes, and I have worked with them ever since.

I am incredibly grateful for the many ways they have helped me navigate this evolving industry. With their support, I have secured multiple five-figure deals with brands such as Therabody, Dick's Sporting Goods, Marriott Hotels, Gatorade, and H&R Block.

Ensuring that future athletes are protected in these partnerships is essential to guaranteeing that they have the same positive experience that I did.

I was also fortunate to be a part of the inaugural NCAA x Meta NIL Empower

Program which provides education and resources to female athletes on how to build a

brand and maximize their NIL opportunities.

Since then, I have continued to serve as a mentor for the program, helping ensure the next generation of female athletes is equipped with the knowledge and support they need to confidently navigate this new era.

The value of NIL is undeniable, and its impact on college athletics his only begun to be understood. Thoughtful implementation is key to ensuring that all athletes are protected, have equal access to opportunities, and continue to receive the education that will serve them long after their playing careers.

It is essential to establish uniform rules for all student-athletes as opposed to the current patchwork of State laws. At the same time, we must protect Olympic and non-revenue sports from unintended consequences that could threaten their future.

While NIL has created incredible opportunities, classifying college athletes as employees is not the right path forward. Doing so could put non-revenue sports, women's sports, and small universities at risk due to financial constraints.

Instead, we must find solutions that allow athletes to benefit from their NIL while preserving the integrity and accessibility of college athletics.

Furthermore, the minimum number of sports required for Division I status must

25

remain unchanged. Reducing this requirement would lead to widespread cuts in non-revenue sports, eliminating countless scholarships and stripping athletes like myself of the opportunity to pursue a college education through their sport.

In May 2024, I graduated from Duke with a degree in computer science and a minor in economics. Since then, I have continued my brand partnerships while also taking on a part-time role as an associate at a venture capital firm where I combine my expertise in brand building, health tech, and women's sports to drive innovation and investment in these spaces.

I will forever be grateful for all that the new NIL laws have made possible for me, and I am excited to see how they continue to evolve with the help of Congress.

Thank you again for allowing me to share my story with you all today.

[The prepared statement of Ms. Cole follows:]

Mr. Bilirakis. Thank you very much.

Now I will recognize Mr. Falcinelli for your five minutes of testimony.

STATEMENT OF JUSTIN FALCINELLI

Mr. <u>Falcinelli</u>. Thank you, Chairman Bilirakis, Ranking Member Schakowsky, and members of the Subcommittee on Commerce, Manufacturing, and Trade. I appreciate the opportunity to testify here today on behalf of the College Football Players Association, or CFBPA.

My name is Justin Falcinelli, and I am the institution's vice president. I joined the CFBPA in the fall of 2021 as its first alumni member, and I have spent the past four years working to build an independent, voluntary, nonpartisan, member-driven players association that brings together past, present, and future college football players from all levels of play.

I played college football at Clemson University from 2014 to 2018. I was a two-year starter, first team All-ACC center, two-time college football playoff national champion, and recipient of Clemson's top male scholar athlete award. Additionally, I completed my master's of business administration in 2018 in the middle of my final season and never lost to South Carolina.

We are, of course, going to talk about many important topics today: NIL, the House settlement, of which I am a class member, revenue sharing, the possibility of athlete employment, collectives, collective bargaining, the transfer portal, and much, much more.

As a former athlete who competed at the highest level athletically and academically and who has spent the past four years speaking with current college football

players and helping to educate them on these very topics, I am prepared to answer all questions you may have about these important issues.

In general, at the CFBPA our position is that the problems of college football are not so large that they cannot be solved by those within the industry -- namely, administrators, coaches, and players -- collectively through players associations.

A collectively bargained model for college athletics would be protected from legal challenges and create the sustainable solution needed by all within the industry.

Most importantly, collective bargaining and enforcement of a collective bargaining agreement by the CFBPA would allow us to solve the festering health and safety problems which continue to plague the sport of college football.

I am going to focus on two such issues for the remainder of my testimony, and I hope the subcommittee will give these important issues the weight they deserve in the question-and-answer portion of our hearing.

Issues of compensation and player free agency are important, but I would submit that they are not more important than the health and safety and welfare of college athletes.

The NCAA was created over a hundred years ago with the primary focus of protecting the health, safety, and welfare of college football players after a season in which over 30 college football players died playing the game. Such a problem, among others, in the health and safety realm still exists today.

Despite the NFL only experiencing one player death this century, roughly two NCAA football players have died per year this century. All but one of these deaths occurred in off-season practices. Research shows how simple practice reforms would end such deaths in the future.

The NCAA has largely ignored this issue, and where it has put in place safety

guidelines, it has abdicated the enforcement of those same guidelines. As such, only a truly independent players association could bring about real enforcement to make players safer in practice.

Another area I hope we can focus on today is the need for independent medical care for college football players nationwide.

Almost every college athlete at almost every institution knows somebody or has experienced themselves inadequate medical care. Many athletes have been pushed to return to play before their body or mind has fully healed by compromised medical providers within their athletic departments.

A 2019 report by the National Athletic Trainers Association indicated that 36 percent of athletic trainers reported that coaches influenced the hiring and firing process for sports medicine staff in their athletic department.

This is done so a coach can secure a medical staff which will yield to their decisions regarding medical care. This often means rushing guys back to play or downplaying the severity of injuries to players.

We saw a tangible example of this recently in the court case of our adviser, Dr. Scott Lynch. A Pennsylvania jury awarded Dr. Lynch \$5 million after finding that he had been fired as head team doctor for Penn State football in retaliation for complaining about head football coach James Franklin interfering with medical treatment and return-to-play decisions.

To this day, the NCAA and Big Ten have remained silent on the jury verdict and damages against their member institution Penn State. You do not often hear these stories as players do not want to risk their playing time, their scholarships, their pro careers, or their future coaching careers by speaking out against their institutions.

For the vast majority of college athletes these are the truly pressing issues that

29

affect our ability to compete and shape the quality of our lives after competition has

ended.

Given that the NCAA seems uninterested in policing its member institutions, it is

necessary for new organizations to step into the void, negotiate collectively bargained

rules, and then enforce those rules.

For coaches and athletic directors who want to do the right thing, we want to

work with you to empower and protect your athletes and negotiate a more equitable and

sustainable future for college athletics.

Thank you.

[The prepared statement of Mr. Falcinelli follows:]

Mr. Bilirakis. Thank you. Just in time. Appreciate it very much.

Mr. Egbo, you are recognized for five minutes. Welcome.

STATEMENT OF ANTHONY EGBO. JR.

Mr. <u>Egbo.</u> Good morning, Chairman, Ranking Member, and distinguished subcommittee members. My name is Anthony Egbo, Jr. I am a former football student-athlete at Abilene Christian University.

I came through the front doors of ACU's football facility on my own accord as a 5'7", 145-pound defensive back walk-on hopeful. Half a decade later, my life has completely changed. I am still short, but that hope eventually turned into a full-ride scholarship, becoming a two-year starter, team captain, FCS defensive scholar of the year, two degrees, including my MBA, multiple job offers, and a robust network portfolio.

During my time as a student-athlete, I had the opportunity to immerse myself in student-athlete advocacy, serving as an officer, vice president, president of my institution's student-athlete advisory committee, eventually serving as a Division I representative for the Western Athletic Conference, all of which culminated in me being voted by my peers as the vice chair of the NCAA Division I National Student-Athlete Advisory Committee.

My story is one of opportunity, the kind that defines college athletics for hundreds of thousands of student-athletes like me.

I know this hearing is about NIL, so I would like to briefly share how I benefited from my name, image, and likeness.

I have had multiple NIL agreements with businesses in and around my community.

One of my favorites was actually a deal with a local bakery who made the "Egbo

Sandwich." It was a sandwich named after me. And yes, it had egg in it. It was marketed throughout my senior year and in all my games.

My biggest deal, though, was with First Financial Bank. I became their national brand ambassador, appearing in commercials, photo shoots, even appearing in stakeholder meetings.

The professional development and compensation I earned from those deals embodies everything NIL is supposed to be about.

NIL is a beautiful tool. But, unfortunately, the reality right now is that NIL is the "Wild West." With more than 30 State NIL laws in litigation, different States and schools within those States are operating on different playing fields. To put it simply, everyone is not playing by the same rule book.

As the vice chair of Division I SAAC, I have had the opportunity to talk to a wide range of student-athletes from different Division I schools across the country.

If I could sum up two main priorities I heard over and over again in my conversations, it would be this.

First, student-athletes want uniform NIL rules and clarity. Without a clear and consistent set of rules, a lot of student-athletes are fending for themselves. I have heard of student-athletes getting taken advantage of due to large gray areas from the lack of clear and enforceable rules.

Uniform rules and clarity are needed to ensure that NIL fulfills its intended purposes and it is not harmful to the ones it was created to benefit.

Secondly, student-athletes want to remain student-athletes, not employees. Employment has a serious potential to evaporate opportunity and access to college sports outside of the top 5 percent of programs.

In my conversations, I have not talked to a student-athlete who is anti-getting

paid, but they overwhelmingly say they do not want to be employees of their schools.

I am not here to testify because I was an All-American, big-time SEC football player. I am here because I am the opposite. I am here before you today to represent guys like me, the women who compete at schools like mine, those who play in non-revenue-generating sports, those who compete at historically Black colleges and universities, those who play Olympic sports, and those who are at places that are offering athletics at a deficit to the university. This is the majority. This is really what most Division I sports programs are made up of.

I am hopeful that we can work together to ensure college sports are fair and continue to open the door to opportunities for countless young people like me.

I am hopeful and actively working on the ways that we can enhance the student-athlete voice and decision-making influence inside the structure that we are familiar with. I am hopeful that opportunities continue to flourish for the student-athletes of the future.

Thank you again for the opportunity to testify. I am incredibly appreciative of your commitment to shaping policies that will positively impact the next generation of student-athletes, and I look forward to the future with optimism.

[The prepared statement of Mr. Egbo follows:]

Mr. <u>Bilirakis.</u> Let me just say this. Very well done. And we really appreciate your contribution. And I would like to meet with you maybe some other time so we can expand on these issues. So we really appreciate your input. Thank you.

All right. Next we have the athletic director from the University of Illinois. You are recognized for five minutes, sir.

STATEMENT OF JOSH WHITMAN

Mr. <u>Whitman.</u> Good morning, Chairman Bilirakis, Ranking Member Schakowsky, other distinguished members of the committee. Thank you very much for the opportunity to be with you today.

My name is Josh Whitman. I recently began my tenth year as the director of athletics at my alma mater, the University of Illinois, which is a founding member of both the Big Ten Conference and the NCAA.

At Illinois, I am responsible for all facets of an athletics program that supports nearly 500 student-athletes competing in 21 varsity sports.

As an undergraduate business student at Illinois, I was an academic All-American football player and played four seasons in the NFL.

After attending law school, I clerked on the United States Court of Appeals and worked briefly here as an attorney in Washington, D.C.

Before returning to Illinois, I spent almost six years as the athletics director at two Division III institutions.

For the last 20 years, I have dedicated my career to working at the intersection of school and sport. For thousands of student-athletes, sports opened doors to a life-changing experience in education. I am a proud product of this system and I am

driven to continue making these same experiences available to today's student-athletes.

Today, college sports is experiencing a period of intense change that is unlike anything in its history. Efforts underway to reform and modernize college athletics are in many ways overdue as the NCAA has not always moved with needed urgency.

Nonetheless, progress made in the last 20 years is indisputable. Division I schools now administer the Student-Athlete Opportunity Fund, which provides millions of dollars in direct support to student-athletes and their families. In addition, schools can now grant nearly \$6,000 annually to student-athletes as incentives for academic progress and graduation.

And in 2021, NCAA rules changed to allow student-athletes to monetize use of their own name, image, and likeness, with hundreds of millions of dollars now flowing through the system and into the hands of our student-athletes.

For almost a decade, Autonomy 4 institutions have offered additional protections for student-athletes, protections that recently became mandated across all of Division I. Schools cannot reduce or cancel scholarships based on injury or performance and institutions must fund athletics-related medical care for at least two years following conclusion of a student-athlete's collegiate career.

But the biggest changes are yet to come. In April, we are hoping for final judicial approval of what would be a historic settlement: three class action lawsuits, commonly referred to as the House Settlement.

Under its terms, schools will have the option to distribute more than \$20 million annually to student-athletes, resulting in tens of billions of dollars flowing directly to student-athletes over the next decade.

The challenge we face today is the environment in which these changes are occurring, highlighted by increasingly active State legislatures and outside entities

advancing their own agendas. We now have an expanding patchwork of State laws that are frequently being adopted to create competitive advantage for their hometown institutions.

At the same time, the efforts to recast student-athletes as institutional employees would be catastrophic for the vast majority of the NCAA's membership, likely resulting in lost opportunities for thousands of student-athletes.

To preserve the American collegiate sports model that has benefited millions of students, families, and communities for generations we need help from Congress to pass comprehensive bipartisan legislation, one, that codifies various benefits and protections for student-athletes; two, that establishes a national NIL and revenue-sharing framework largely in line with what is contemplated by the House Settlement; three, that preempts State laws that have increasingly become weaponized to provide competitive advantages to hometown institutions; four, that provides a limited antitrust safe harbor that will allow us needed flexibility to create a reasonable and enforceable regulatory framework governing such things that are as basic as eligibility rules; and five, that clarifies that the relationship between student-athletes and their institutions is not that of an employer and an employee.

When meeting in the past, Congress has helped advance the interests of the college athletics enterprise, an institution that is uniquely and proudly American. We again need your help to provide us the tools needed to modernize our ecosystem while at the same time protecting our student-athletes and the pillars that are central to our model.

I am eager to continue working with you to achieve these noble objectives.

Thank you. Look forward to answering your questions.

[The prepared statement of Mr. Whitman follows:]

Mr. <u>Bilirakis.</u> Thank you very much. Excellent testimony. I appreciate it very much.

And now I will recognize Coach Beamer.

Congratulations on a great season, Coach, and thanks for being here. Appreciate it.

Mr. <u>Beamer.</u> Thank you very much.

Mr. <u>Bilirakis</u>. You are recognized for five minutes.

STATEMENT OF SHANE BEAMER

Mr. <u>Beamer.</u> Appreciate you saying that.

Good morning. My name is Shane Beamer, and I am the head football coach at the University of South Carolina. It is a privilege and absolute honor to be here with you this morning to speak to you about the future of college sports.

I am going into my 26th year in coaching, and outside of my family, developing college football student-athletes has been my life's work.

As Mr. Fry alluded to, my father was the head football coach at Virginia Tech for 29 years. I, myself, played high school football and baseball and went on to play football at the collegiate level, competing for a football national championship alongside my father.

The experiences that I have had as both a student-athlete and a coach have fundamentally shaped me into the man that I am today.

We are at a critical crossroads in college athletics, and quite simply, we need your help. The system is long overdue change. The current situation is unsustainable. A national bipartisan Federal law will provide equal opportunity for all student-athletes to

benefit from NIL and create a uniform standard to ensure we are all playing by the same rules.

I believe we can all agree that the college student-athlete experience is worth preserving. A college education is invaluable, especially given the reality that less than 2 percent of college student-athletes advance to professional sports careers.

A Federal law codifying the settlement will maintain an education-based model for college sports while ensuring the opportunity for student-athletes to earn a degree and the tools necessary to be successful in life after sports.

Action by this Congress will also provide much needed stability essential to college sports and expand current benefits enjoyed by many student-athletes: free tuition, room and board, educational grants, academic support and tutoring, medical and mental health support, nutritional support, life skills development, superior coaching and training, and extended medical coverage.

If you don't act, college sports will be destroyed by never-ending litigation and conflicting State laws, and designating student-athletes as employees is not the right path, because an employment model will drastically reduce the number of sports a school is able to offer.

In contrast, a Federal law will guarantee the future of Olympic sports that help develop future Olympians for our country.

In sum, college sports is at an impasse and we need your help. The stakes are high and the future of our Nation's student-athletes will be decided in the near future.

Thank you for your time and your consideration of a topic that is personally so important to me and hundreds of thousands of student-athletes.

[The prepared statement of Mr. Beamer follows:]

****** COMMITTEE INSERT ******

Mr. <u>Bilirakis.</u> Thank you very much, Coach. I appreciate it very much. I think we are going to get some consensus this year. I really do. And I know that time is of the essence. So I appreciate that very much.

I will recognize myself for five minutes of questioning.

Coach Beamer, the transfer portal has drastically affected college athletics, especially football, as you know of course.

In your experience, how has the transfer portal impacted your team from a planning and competitive standpoint, but also your student-athletes' ability to get a robust education? And how do you see the new revenue-sharing model changing the current transfer portal dynamics?

Mr. Beamer. Thank you.

We have certainly benefited from the transfer portal. I won't sit here today and say that we haven't. Now, have we lost players in the portal that we did not want to lose? Absolutely. But we have benefited from the portal without a doubt. So it has been a benefit for us in so many ways.

There are areas of the portal that certainly can be improved. I don't necessarily like what it maybe teaches young men and women at this stage of their lives, and I don't like some of the impacts that the transfer portal has on their academic progress.

Frankly, so many male and female student-athletes when they transfer to another college, they lose academic credits potentially going from school to school, which will impact their ability to graduate, and ultimately, this is about education.

And since I have been the head football coach since spring of 2021, we have 80 young men that have graduated from our football program since I became the head coach in December of '20 from the spring semester on. So it is still about education. There are so many great things about the transfer portal, but not if it affects their

opportunity to graduate and get an education.

And in regards to the new revenue-sharing model, I think it is a fantastic thing, because, one, it will provide opportunities for all student-athletes; as well, it will level the playing field, if you will, in a lot of ways; and it will allow all student-athletes to capitalize on their name, image, and likeness through revenue sharing and adding a piece of what they deserve because of what they bring to our universities.

Mr. <u>Bilirakis.</u> Thank you very much. I appreciate it.

Ms. Cole, you are a prime example of how an athlete at a non-revenue-generating sport can successfully take advantage of NIL opportunities.

When the rules changed in 2021, what challenges did you approach when you navigated the NIL landscape? And I know if you can elaborate a little bit, because I think you covered it to a certain extent in your testimony.

Ms. Cole. Yes. Absolutely. Thank you so much, Chairman Bilirakis.

So whenever I, like, first started having to navigate the new world, the timing, as I mentioned, landed really well with my book having just published. And so I did a lot of initial negotiations on my own and kind of had my parents look over contracts and make sure that there weren't any terms in there that I didn't want to have happen.

But after my platforms grew for over the next year, I ended up working with this agency, and they really helped me navigate the space, because it was, I mean, everyone that I interacted with, whether they were at a huge corporation or with universities, a lot of times they were asking me questions about the NIL space, because it was all so new and everyone was just trying to figure it out as we went.

So I think that was probably the biggest challenge, was just that it was so ill defined that we were all kind of trying to figure it out as we went.

Mr. Bilirakis. You said that an agency, you contacted an agency. Was that a

collective?

Ms. <u>Cole.</u> No. So I have an agent that represents me in all of my NIL deals, and I got connected to them and they already had experience working with other college athletes.

So I had a conversation with them and, like, really felt that I could trust them, and then had a lot of conversations with athletes they had represented in the past, and felt very comfortable working with them to represent me in all of the negotiations with companies from my NIL deals.

Mr. Bilirakis. Thank you very much. Appreciate it.

Mr. Whitman, I know I don't have a lot of time, but I want to ask this question.

Mr. Whitman, the last thing we want is for non-revenue-generating sports to be affected by the ever-evolving NIL landscape.

How is the University of Illinois anticipating the changes, like roster limits and revenue sharing, to ensure these programs are protected? So we want to protect the Olympic sports, the gymnastics, the wrestling, what have you.

Please.

RPTR DEAN

EDTR CRYSTAL

[11:16 a.m.]

Mr. Whitman. Thank you, Chairman.

At Illinois we have no plans to eliminate any of our varsity sport programs. As I mentioned, we sponsor 21 sports, roughly 500 student-athletes.

In fact, we intend to invest more heavily into the experience of our student-athletes. Every one of our sports will see increased scholarship opportunities. That is one of the byproducts of the new House settlement, is the chance to provide additional scholarships above and beyond what NCAA rules currently permit. We intend to take full advantage of that chance in each of the 21 sports that we sponsor.

We also intend to see more widespread use of NIL throughout our program, while student-athletes in more sports are receiving more NIL opportunities in the new paradigm than they do under the current NIL regime.

It is important at the University of Illinois that we continue to advance the interests of all of our sport programs. We have a very proud history across the board with our student-athletes.

Last Olympics we were really proud to see six former Illini competing on the Olympic stage, brought home two medals. And certainly that is a tradition that is unique to American college athletics and one that we want to continue to champion in Champaign-Urbana.

Mr. <u>Bilirakis.</u> Thank you very much. I appreciate it.

And now I will yield to the ranking member of the subcommittee, Ms. Schakowsky, a fellow Illinoian. Not me but the AD. My chief of staff is from Illinois as well.

But anyway, I yield back. I yield the time to the ranking member.

You are recognized.

Ms. Schakowsky. Thank you.

I wanted to ask a question of Mr. Falcinelli.

Is that kind of right?

Mr. Falcinelli. Yes.

Ms. <u>Schakowsky.</u> Okay. The way I said it.

And very proud to be an alum of the University of Illinois as well.

I wanted to ask you, we are talking about what sports needs and how we can make it safer and better. But I wanted to follow up on what I asked in the beginning and Congresswoman Kelly mentioned as well, the fact that there are cuts in the amount of money that is going to universities.

And I am wondering if you have thought about that and how that will impact what we are thinking about today, making sure that there is --

Mr. <u>Falcinelli</u>. Yeah. So I know my alma mater, Clemson, would be looking at a pretty large hit. Clemson is a pretty renowned research university. So they had \$25 million in funding in 2024 from NIH. So that would be a pretty impactful hit to their wallet at the same time that they are dealing with the outcomes of the House settlement.

And even for little old Clemson, which has \$150 million a year in athletics revenue, they are trying to reconcile a lot right now. And for schools without the good fortune to have that sizeable athletics budget we believe for all levels of play that collective bargaining is the answer for them to find the solution that is going to best fit their fiscal realities.

The House settlement clearly lays out that any collective bargaining agreement negotiated with the athletes can ignore the rules set forth by the settlement. So to any institutions out there that are concerned with all of the NIH cuts, as well as the impacts of

the House settlement, we ask you to negotiate with your athletes and work out the situation that best fits you.

Ms. <u>Schakowsky.</u> Are you concerned, though, that there is going to be enough money to really have robust student-athletes if money is really taken off of the universities?

Mr. <u>Falcinelli</u>. Oh, absolutely. And potentially the universities could look into using athletic revenues to help compensate for some of these losses in research funding. And that is something you would be able to negotiate through collective bargaining.

Athletes understand and often take part in majors that are doing this research. It would be important to them to be able to continue to do so, and I am sure we would love to see that on the negotiating table.

Ms. <u>Schakowsky.</u> What do you think is the most important thing that is important for student-athletes in terms of reform?

Mr. <u>Falcinelli</u>. Yeah, as I said in my testimony, something near and dear to me is health and safety. Athletes are often afraid to speak out on the issue because they are beholden to the will of their coaches, their university, and can risk their playing time, their pro careers, their scholarships, their medical care, their potential future in the sport if they want to go on to coach. Your most likely avenue to do so is at the institution you played at.

And so in these issues, where trainers are pushing players back to play too soon or being dishonest about the severity of your injury, you have no one to turn to to advocate for you to help push the team doctor to get you the MRI that you need to diagnose your injury. Players are without representation.

And this is why we so strongly believe in the need for independent players associations where players can have a rep who is not subject to the extreme pressures of

college athletics, who is there solely for their best interest, that can represent them and enforce the rules that are negotiated in a CBA and hold institutions accountable.

Ms. Schakowsky. Well, I think it is very important.

Are you present on campus in your work?

Mr. <u>Falcinelli.</u> We are present at institutions around the country and are actively doing on-the-ground organizing.

Ms. <u>Schakowsky.</u> Okay. Thank you very much. And I yield back.

Mr. <u>Bilirakis</u>. The gentlelady yields back.

I now recognize the chairman of the full committee, Mr. Guthrie. And I appreciate you making this a priority.

The <u>Chair.</u> Well, thank you. We need to make it a priority because we have got a lot of work to do.

Mr. Bilirakis. Yeah, absolutely.

The Chair. And I appreciate it.

I guess, getting to my colleague's previous question that said will cuts to NIH and overhead going to universities. And I think you quoted a number coming from Clemson. I think you all prepared for this meeting being an NIH meeting instead of NIL. But will that hurt athletics?

I think that if we are sending money to NIH and the overhead is going to universities and somehow getting to athletics, if that is what the nature of that question was, then we absolutely should be taking a look at this.

Now, Harvard has a \$50 billion endowment, gets 70 percent facilities and administration of some of the grants. I mean, we should want grants to go to saving childhood cancer, childhood, all these other things that are moving forward. And hopefully some of the overhead is not going -- I hope you didn't intend that to say this is

going to our athletes in sports, because that absolutely shouldn't be.

So, Mr. Beamer, the answer to the question just before, Coach, players being put into precarious positions when they are injured. Do you or do you know of any of your colleagues that have ever -- I know you love your players -- have you ever looked at a player -- I think you probably sometimes try to prevent players from going into the field. Do you know of any instance where a coach knowingly puts a player in a bad position?

Mr. <u>Beamer.</u> First of all, thank you for you comments earlier as well. And before my dad was the head football coach at Virginia Tech he was a Murray State Racer. So you say "Go Hilltoppers" and I say "Go Racers."

The Chair. I know. We love the Racers too.

Mr. Beamer. Right back at you.

No, sir, I do not. I can't speak for other programs that I haven't been a part of.

But I can say as the head football coach at the University South Carolina, I truly love and care for the players that I coach, to the point where I haven't let guys go back and play when they have been cleared by a trainer in some instances.

I have never once directed our trainer to put a player out there before he is ready to play. When the trainers say he is cleared and ready, we put him back out there.

And again, I can't speak for the schools, but not to my knowledge.

The Chair. Well, thanks.

So being fans of all conferences, Kentucky has ACC and SEC schools and others, as we just mentioned, in the great traditions of college football.

Coach, how do we find the balance between preserving what we know college football to be, but also allowing our athletes to have the opportunity to earn money with their name, image, and likeness.

Mr. <u>Beamer.</u> Absolutely. I think everyone in here can agree that sports bring

both sides together and unites both sides as well. And I believe that we are all passionate about that as well.

And certainly every player on our team would tell you that I am an advocate for them being able to maximize and capitalize on every opportunity they have as student-athletes at the University of South Carolina.

We are in the capital city of South Carolina where we are the only show in town in the city of Columbia. So we have a great following that presents so many opportunities for all of our student-athletes, not just football, but women's basketball with Dawn Staley and on and on.

So there are fantastic opportunities for our student-athletes to be able to capitalize on their name, image, and likeness. But at the same time, education has still got to be at the forefront without a doubt, where all of our student-athletes leave the University of South Carolina with a degree.

I mentioned in my opening statement the number of student-athletes that go on to play pro sports. And that is critical for us going forward.

I will use the example of LaNorris Sellers. He is our starting quarterback. He will be a Heisman Trophy candidate next season. He will have an opportunity to play in the NFL. He is currently compensated very well from a name, image, and likeness standpoint.

But on his own, he has already reached out to companies in the city of Columbia about doing a summer internship with them, unbeknownst to me. But here is a young man that understands that football is not going to last forever and wants to do everything in his power to take advantage of the educational experience in Columbia also.

The Chair. Okay. Thank you. Thanks, Coach.

So, Mr. Egbo, my cousin went to Abilene Christian.

So what are your thoughts? I know now it is going to be revenue shares.

Schools are going to help create the collective. We are probably going to have to have some exemption if they are not going to be employees to say that, because obviously if you are getting paid from the gate.

So what is your view of the employee relationship with the university versus being a student at the university?

Mr. Egbo. Thank you for that question.

I think it is a question that is really at the heart of a lot of student-athletes' minds right now. Being at an institution and an FCS football institution like my own -- how do I say this? It is hard to fathom how that would look at an institution like ours.

Speaking specifically to the coach-player relationship, an employer-employee relationship, those that play ball know that inherently a coach is a role model, they are a mentor, they are somebody that invests. That is not inherently what an employer is.

An employer is more focused on performance. A coach inherently is somebody that you look up to, somebody that can pour into you, somebody that can help you become the best 35-year-old version of yourself.

And so at the core of it, that is what sports is also doing, it is molding young men and women to be future leaders, to be the best fathers, husbands, wives, future leaders in this country. And I think that is in principle what has an opportunity to be shaken, is that foundation, with an employer-employee relationship.

Besides that, it is just not sustainable from a university standpoint. And I have done a lot of work as far as engaging in conversation about this specifically. I have had a multitude of conversations with my president and different university administration on, "Hey, what would this look like for institutions like ours?" And it is just not sustainable besides the principle.

The <u>Chair.</u> My time is up. I have gone over my time. So I appreciate that. I appreciate your answer.

I yield back.

Mr. <u>Bilirakis</u>. Thank you very much. The gentleman yields back.

I will now recognize my friend from the great State of Florida, a fellow Floridian, but we didn't go to the same school.

Sorry you didn't go to Florida, Kathy.

Kathy Castor, you are recognized.

Ms. <u>Castor.</u> Well, thank you, Mr. Chairman.

There is nothing like college sports. It is beloved in America. It builds cohesion among the community and alumni and students and great pride in your institution. You admire the skill of all the student-athletes and then the care and concern of the coaches and support staff.

But it is also big business. I think right now college sports generates over \$18 billion all told. But it wasn't until that 2021 U.S. Supreme Court case where they granted student-athletes the rights to their own name, image, and likeness.

So this is still new, and the courts, universities, athletes, and Congress are really trying to figure out how to navigate the landscape.

So this hearing comes as we await another court decision on the multi-billion-dollar settlement between the NCAA, the Power 5 conferences, and the student-athletes. And that settlement is going to resolve multiple lawsuits and better set the rules of the game going forward.

And, Chair Bilirakis, I know that you care, and you have been talking to me and other members about trying to bring some guardrails. And I am interested in working with you on that.

But I just do not think we can ignore the bigger picture right now of what is happening in higher education with the illegal shutdown of Federal funds, grant moneys that flow to students and educators, the wrench thrown into research at higher ed institutions by Elon Musk at the direction of the President.

I fear for the fallout for all students and at the University of Florida and at the University of South Florida and at FSU and at UCF, research funding, and then the slashing of student aid, of student financial aid.

I think we are going to be in a quandary here. And I just couldn't let this moment pass without speaking up about this.

NIL is very important, but there is a bigger picture here, and it goes right to the heart of the economic security of all students and all of our institutions of higher learning.

That said, Ms. Cole, I am so impressed with your pathway in life. You were a student at one of the Nation's top research universities. And yes, they are crying out about the NIH and scientific funding quandary.

But let's put this in context. Can you discuss your research experience and that of you and your classmates that you were able to have at the collegiate level and what that has done for your professional growth?

Ms. <u>Cole.</u> Yes, absolutely. Thank you so much for the question, Congresswoman.

Honestly, I did do some research with the more lower-level education communities in North Carolina hoping to provide more culturally relevant curriculum within computer science. So I know how important it is, I have witnessed how important it is.

But I am prepared here to speak on the future of NIL in college athletics, so -Ms. Castor. Okay. Then let me ask you more about that.

But let me say, the folks in the Research Triangle in North Carolina and at all the research institutions, and at colleges large and small, are crying out for help.

And, fortunately, the courts have weighed in on these illegal shutdowns of Federal funding and we brace ourselves for the Republican budget that is going to come and really take a hatchet to student financial aid and Pell grants.

But back on this topic.

I am very concerned with Title IX and what NIL is doing to build inequities. We have worked so hard over the years to ensure there is equity between female and male athletes.

You said that you really see this as an opportunity for students when it comes to the non-revenue sports, small colleges, Olympic sports. But what is the solution when it comes to parity between men and women?

Ms. <u>Cole.</u> I mean, obviously parity between men's and women's sports is paramount. And seeing the exponential growth that has happened, especially in the past year, I mean, having the national women's basketball game have more viewership than the men's, and then finally achieving gender parity in the Olympics. I think it is extremely important. But I am not able to speak on the actual implementation of the laws of how that has happened.

Ms. <u>Castor.</u> Okay. So that is up to us, Mr. Chairman, to ensure that NIL doesn't warp all of the hard work that we have made to build opportunities for men and women alike in sports.

I yield back. Thank you very much.

Mr. Bilirakis. Thank you so very much.

And now I will recognize the vice chairman of the full committee.

And you are uniquely qualified to ask these questions being from Boise State.

You are recognized for five minutes.

Mr. <u>Fulcher.</u> Thank you very much, Mr. Chairman. I appreciate the tie Mr. Whitman has on. It is Boise State Bronco colors. We are glad to see that. But also Florida colors, if I have got that right, and probably Illinois is in there somewhere, I am guessing.

Mr. Whitman. Probably.

Mr. <u>Fulcher.</u> Yeah. Okay.

Question for Mr. Egbo. As mentioned, I a Boise State University alum. They are in my district, as well as the University of Idaho, Idaho State University. But they in the football and basketball arena have been very competitive, but they are not of the same size and scope of the large schools. And so I would like to get your take on this.

Under the House case, the revenue sharing cap is up to \$20.5 million. Well, that is more than the entire budget for Boise State or University of Idaho or Idaho State or, I am assuming, Abilene Christian University.

And so just in terms of scope, how is this going to work? Is this going to be -- can this be fairly applied? Can the smaller schools maintain their competitiveness with the larger schools under this revenue share cap system?

Mr. <u>Egbo.</u> If I could get this answer right I will probably get a raise from my AD.

But I think the first thing is having clear rules. I think the first step is leveling the playing field as far as what is permissible, what is not, what is the standard, everybody being on the same page, so that schools like the schools you mentioned and our school can sit down and say, okay, this is the standard across the board and this is what we can kind of build and strategize for how we can compete in this new age.

But I think with the gray areas that are implemented right now, it is very hard to start that strategic process.

Mr. Fulcher. Thank you, Mr. Egbo.

And, Mr. Beamer, I would like to go to you. If you have a comment on that, I would ask for your comment on that same question.

But I would also like to follow up. I am going to give you a two-part here and let you run.

Realizing that the objective of NIL is to recognize rewards from the student-athletes for their contributions, do you see unintended consequences? And if so, what bothers you the most about possible unintended consequences of what we are trying to do?

Mr. <u>Beamer.</u> Thank you for the question.

I think NIL, as it was initially implemented in 2021, the way it is meant to be I think is very good. I think in a lot of ways what name, image, and likeness has turned into in so many situations is pay-for-play, and that is very much because of the fact that it is not as regulated, in my mind, as it should be.

There is an issue of agents in the NIL world. That is another issue in regards to how it is regulated and is everything on the up-and-up. That is an unintended consequence that I think has come certainly from NIL, without a doubt.

Mr. Fulcher. Thank you for that.

I would like to go to Mr. Whitman. I have just got about a little over a minute left.

But I would like to talk with you and get your feedback on Federal preemptive standards. I have heard from the Idaho schools the concerns over enforcement burdens when it comes to the patchwork of some of the State and D.C. NIL laws and the need for Federal preemption.

Without Federal preemptive standards, I could see a situation arising where State

law conflicts with the terms of the settlement, which is still pending approval. But how would an institution have to adjust its strategy if this was the case?

Mr. Whitman. Thank you for the question.

I think you are thinking about it exactly right. There is that possibility where States will pass legislation that conflicts with the terms of the settlement in an effort to create competitive advantage.

And again, that is what we have started to see with more frequency across the country, is a race for States to find ways to give their hometown schools an edge.

We have seen that in States like Missouri and Arkansas, where they now allow NIL payments to high school athletes who have signed letters of intent to compete at in-State institutions.

We have seen it at States where they have offered State tax breaks for student-athlete NIL income.

We have seen it in certain States where they have provided caps on how much money agents can make from student-athletes, which then disincentivizes the best agents from working in those States.

And ultimately what we are here to discuss is the role that Congress can play in trying to create that level playing field and avoid putting schools in situations where they have to choose between complying with a Federal court order and ultimately with State law.

And we understand that in this environment that conflict can arise, and ultimately only one body has the power and the authority to solve that for us, and that is Congress.

Mr. <u>Fulcher.</u> Thank you, Mr. Chairman. I do have some follow-up questions. I will do that in writing.

Thank you for the time. I yield back.

Mr. Bilirakis. Thank you very much. Appreciate it. Very good.

Mr. Soto, you are recognized for five minutes.

Mr. Soto. Thank you, Mr. Chairman.

Coming from Florida, college football is about as popular as sunshine and low taxes, right? At the risk of alienating you a little bit, Mr. Chairman, I am going to start out with an FSU story.

Mr. <u>Bilirakis.</u> So you recognize that Florida is the Free State. Is that correct?

Mr. <u>Soto.</u> Absolutely.

So when I was in the State senate, FSU was heading towards a college championship and a shocking story had happened. Jameis Winston, who was on his way to become a Heisman Trophy winner and lead his team to the championship, was accused and arrested of a small theft. And people thought: How could this possibly be happening?

When you look further into it, you see this huge gap that happened back in the day between some of these star athletes versus the schools and the boosters and even a lot of the students.

And that is one thing that name, image, and likeness has helped balance out a little bit. We don't see some of these student-athletes living in poverty while they are helping entertain millions of people. Of course that is not uniform throughout and we know that.

I am proud to represent Central Florida. Go Knights. Space U. We are going to work on the football program a little more, Mr. Chairman, much like UF. We are all working on that stuff.

But we see big programs getting bigger right now and smaller programs struggling, and that is a concern. More popular sports like football, men's and women's basketball

are surging in national popularity and in resources. But other, lesser known sports are suffering, and we need to recognize that.

We are also home to EA Sports, which every college football player in the Nation signed up and got a compensation for being able to lend their likeness. So that is something that we are really proud of in our area.

But as was mentioned, we need rules of the road. We have had many hearings, but no bill passed into law just yet. And so we have work to do -- financial literacy, making sure that our student-athletes have representation, safeguarding all NCAA sports, and potentially an independent players association.

Mr. Falcinelli, where do you think we need to go next on it? Is it a player vote? Is it an NCAA vote? Do we need a law on this? Where do you hope to go with this next?

Mr. <u>Falcinelli</u>. Yeah. The future we see for college athletics and for college football is a world in which we are not reliant upon a court ruling or legislation to really set what is going to happen next, but a world in which the athletes themselves are empowered to negotiate to shape their own futures.

We firmly believe that that can be done through collective bargaining. And whether they are employees or not, we believe it is collective bargaining that is what matters. If athletes were made employees tomorrow, they would still face many of the same issues they are facing now and many more.

And until they are organized and represented by independent players associations will they be able to actually enact the health and safety regulations they need or engage in further revenue sharing and getting good deals on revenue sharing.

I would like to point out the EA deal for the NCAA video game is one of the only group licensing deals in sports to ever be signed where the athletes had no revenue share

on the royalties from it and were just given a \$600 fee for one time for their appearance in the game or every year they re-up, but their name, image, and likeness is already guaranteed to be used whether they re-up or not for the rest of their eligibility.

And that game has gone on to probably cross over \$700 million in revenue this year. It was the top selling sports video game of all time. And athletes have not been able to share in any of that revenue share.

Mr. <u>Soto.</u> Well, we certainly believe in collective bargaining.

I also want to turn to NIH briefly -- we have been talking about NIL -- the National Institutes of Health.

Student health is paramount. We have seen in Florida the chairman's own university created Gatorade because it is super hot to practice in Florida.

We actually make Gatorade in the district, Mr. Chairman. I am sure you are happy about that.

But we have seen student-athletes pass away after conditioning, including, unfortunately, at our home university at UCF back in 2008. A lot of progress has been made since then both there and in many other areas.

And one of the NIH grants that UCF has is looking at digestive and kidney research.

One of the biggest issues we see is dehydration. And then, even if it doesn't happen at the time of a student-athlete, that dehydration can affect them going forward as they get older.

Mr. Falcinelli, how important is it for us to continue to look at hydration for student-athletes and have these NIH grants that are so important?

Mr. <u>Falcinelli.</u> Oh, it is absolutely important. As Ms. Cole testified to today, there can be traumatic effects with stuff that surrounds that.

And as a former football player, hydration, brain damage, thousands of

subconcussive blows every year for five years straight, the research being done into health and safety and the issues that we are still trying to understand, like CTE, is incredibly important.

And these are things that we as athletes are going to carry forward for the rest of our lives. So whether or not we have the time to enroll on a STEM major and help be part of doing this research, we are going to be feeling the impacts of this loss for a long time.

As many of us can attest to who are former athletes, after your career is done, your injuries are still there. You still wake up with pains -- your knees, your back, your joints, your shoulders -- that stay with you for life. So continuing to do important medical research is something that impacts all athletes.

Mr. <u>Soto.</u> And we will be fighting this Trump administration freeze and unlawful restrictions to make sure we can continue to prioritize athlete health.

And I yield back.

Mr. Bilirakis. Thank you very much.

Speaking of Gatorade, Dr. Cade invented Gatorade in the late sixties at the University of Florida. And my mother, Evelyn Bilirakis, was a TA for Dr. Cade.

So I am sorry, yeah, I just thought that that had to be said.

We have Representative Harshbarger from the great State of Tennessee, a

Tennessee Vol. And she represents -- she knows I am going to say this -- she represents
the hometown --

Mrs. <u>Harshbarger</u>. I am just saying.

Mr. <u>Bilirakis.</u> -- of my favorite all-time coach, Steve Spurrier.

Mrs. <u>Harshbarger.</u> Yeah.

Mr. <u>Bilirakis</u>. So you are recognized for 5 minutes.

Mrs. <u>Harshbarger</u>. He is a traitor, just so you know.

Anyway, thank you, Mr. Chairman and Ranking Member.

Thank you to the witnesses for being here today.

I have got a lot of worries about this NIL. And I have two grandsons coming up. They love football, basketball, the whole 9 yards.

I worry about the number of times they can go through the portal. I worry about the agents and the collectives.

Is there a standardization? Do they need to have some type of accreditation?

And I worry about no limit on outside money.

But I guess my first question, we are going to talk to Mr. Egbo, because you are a Wildcat. And I went to high school, I was a Wildcat. And once a Wildcat, always a Wildcat. Just so you know.

In your opinion, how many times can a student-athlete transfer without expecting shortfalls to their educational attainment? Would it be once, twice, five times, eight times, in your opinion?

Mr. <u>Egbo.</u> Yeah. I don't know if I have that answer. Actually I do know that I don't have that answer.

But I do think that every student-athlete is different at the stage that they enter into the portal. Some are grad students that have earned their degree already and are looking for a new opportunity. And others are 18-, 19-year-old kids that are for whatever case entering the portal.

So I just do think that there are different situations and circumstances. But I don't know the answer to that.

Mrs. Harshbarger. I know. We are trying to figure that out.

I guess my follow-up to you is, does transferring during the semester affect a

student-athlete's academic success?

Mr. <u>Egbo.</u> I mean, without question, in my opinion. I don't think that it is hard to see that a midsemester transfer is very disruptive to the educational principles that Coach Beamer mentioned before.

At the end of the day, education is at the forefront and at the foundation of what we are trying to do.

Mrs. <u>Harshbarger.</u> Absolutely.

Mr. <u>Egbo.</u> So protecting that is important.

Mrs. <u>Harshbarger.</u> I agree.

This goes to Coach Beamer.

If other schools follow the dynamic approach to NIL that schools in the SEC have, where do you think college football will be in five years?

Mr. <u>Beamer.</u> Well, if there is a national standard in regards to the legislation, but also with revenue sharing coming in with the optimism of the settlement next month, to me it will level the playing field for programs across the country if we are all playing by the same rules, if we have the legislation and enforcement to back that.

Mrs. <u>Harshbarger.</u> Thank you.

Mr. Whitman, this will go to you and Coach Beamer. Should university revenue sharing include performance-based bonuses? Like, say, in Mr. Beamer's case you have got a quarterback that throws 3,000 yards and you beat Clemson. Should he get a bonus?

You start, Mr. Whitman, and then we will go back to Coach Beamer.

Mr. Whitman. It is an interesting question.

I think it is important to remember under the terms of the settlement the payments to our student-athletes will come in the form of NIL licenses. And so the idea

of being in the performance bonus context, that the better a student-athlete performs then the more valuable their NIL license becomes for the use by the institution or by the athletics program.

And so we certainly are contemplating a system that would permit performance bonuses. I think a different question is how those are ultimately accounted for in terms of the cap structure that is being developed. But ultimately, we think performance bonuses have a place. Whether institutions ultimately choose to use them or not is a different question.

I think one of the intentions of this process is to allow each school a lot of autonomy to determine for itself how best to structure its contracts and its relationships with its student-athletes to make their institution as appealing as possible to potential student-athletes.

Mrs. <u>Harshbarger.</u> Great.

Mr. <u>Beamer.</u> Which I would agree with Mr. Whitman. In fact, that is a conversation that I literally just had yesterday morning with Dawn Staley, our women's basketball coach at South Carolina, in regards to bonuses. And, yes, ma'am, if a player for us plays his tail off against Clemson and allows us to win, yes, absolutely.

Mrs. Harshbarger. Sorry, young man. I knew he was going to say that.

Mr. Beamer. He got the first dig in.

Mrs. <u>Harshbarger.</u> Yeah, exactly. All right.

This goes to Coach Beamer and Mr. Whitman.

How should student-athletes' fair market value be generated? I know you are speechless.

Mr. Whitman. It is a really important question. And certainly we are champions of our student-athletes' NIL rights. It is important that we look for ways to

separate through market-based, arm's length transactions that support our student-athletes in their legitimate NIL interests from the synthetic, artificial, competitive-based NIL opportunities that have been created over the last handful of years.

And so we certainly don't have an interest in micromanaging those opportunities for our student-athletes. In fact, we want to continue to try and help facilitate and create those in the ways that are permitted under the most recent changes to NCAA rules.

But it is important that we do try and create some system to monitor that to create some level of transparency. Our student-athletes want that transparency. Those working within our system want that transparency.

And ultimately, we also know that this isn't going to be a perfect system at the outset, and we will continue to evaluate it and improve upon it. But we feel confident that here at the beginning, as we develop a clearinghouse with a partner like Deloitte, a very reputable firm, that we will be in a strong position to make those assessments.

Mr. <u>Beamer.</u> And I would agree the fair market value of range of compensation, there is no cap on that. I want to be clear that we are all for our student-athletes being able to make as much as they possibly can in legitimate NIL outside income. But what we need is transparency and a clearinghouse, like we are saying, that will give us the teeth in that.

Mrs. Harshbarger. Okay, very good.

Mr. <u>Bilirakis</u>. And we want to take into consideration that some of the players, such as the offensive linemen, we have a senator -- I mean, we have maybe a future senator -- but a center right here -- that they also be compensated as well fairly, even though they don't get the recognition they deserve.

Mrs. Harshbarger. Yeah, really. I love the offensive line, just FYI. All right.

Mr. <u>Beamer.</u> They spell relief.

Mrs. <u>Harshbarger</u>. I yield back.

Mr. <u>Bilirakis</u>. Representative Trahan.

Mrs. <u>Trahan.</u> Well, thank you, Mr. Chairman.

And thank you for our witnesses here today, especially our players.

The state of college athletics, while imperfect, is better today than it was four years ago. Now, it may not be better for the people who have historically benefited from the guise of amateurism, but it is certainly better for athletes, and those are the folks who have always created the value in this industry.

But while I celebrate the progress, I remain concerned about the inequities that persist in college athletics. And with respect to NIL, I worry that universities' plan to finally share revenue directly with athletes could again shortchange women at a time when women's sports are seeing a massive surge in popularity.

Mr. Whitman, are you aware of the tentative agreement in the House v. NCAA lawsuit that will require the NCAA to pay out nearly \$2.8 billion in damages to current and former athletes, dating back to 2016, with 75 percent going to football players, 15 percent for men's basketball players, 5 percent for women basketball players, and 5 percent for all other athletes?

Mr. Whitman. I am aware, yes.

Mrs. Trahan. I figured. And great. I wouldn't expect any other answer.

You must also be familiar with the filing in that case by Barbara Osborne, an independent Title IX specialist with extensive experience auditing collegiate institutions, who studied the House settlement terms.

If the lopsided terms of the House settlement were used in an institution, Ms.

Osborne claimed she would have advised the institution that they were violating Title IX.

Mr. Chairman, I ask unanimous consent to enter Ms. Osborne's report on the gender inequities present in the House settlement revenue model into the record.

Mr. <u>Bilirakis.</u> Without objection.

[The information follows:]

****** COMMITTEE INSERT ******

Mrs. <u>Trahan.</u> Thank you.

Mr. Whitman, you advocate that Congress codify a revenue-sharing framework that is -- and I am quoting here from your testimony -- "largely in line with what is contemplated by the House settlement."

Your testimony comes amid reports that Power 5 schools, like the University of Georgia, are already planning to use those same thresholds in their future revenue-sharing model scheduled to take effect later this year.

Mr. Whitman, can you understand why many current and former women athletes, like myself, are alarmed that NCAA institutions and leaders are adopting a revenue-sharing model that only gives women at most 10 percent?

Mr. Whitman. Thank you for the question, Congresswoman.

This is an issue that has weighed heavily on our campuses as we have tried to evaluate how to apply an old, 50-year-old law to a new set of facts that weren't contemplated when that law was passed.

And we have worked very earnestly to consult with a variety of different counsel to gain some clarity on that issue. And all that we have learned through those conversations is there seems to be some lack of consensus around exactly how that law will apply to these new opportunities that we can make available to our student-athletes.

What we know is that we are seeing an explosion in popularity in women's sports. We know that people who work in college athletics remain very strong champions of advancement amongst our women's teams. But we also see that we are faced with some really challenging balancing of equities in a case like this one.

If we were to apply Title IX in the sense of the traditional financial aid balancing proportionality, we would potentially be diverting money away from the athletes who generate that revenue, many of whom are student-athletes of color, many of whom

come from underprivileged backgrounds.

On the flip side, we understand that if we were to maintain those revenues with the student-athletes who generate it, we wouldn't be potentially passing as much of it along to our female student-athletes.

And so it creates a really challenging dynamic for us to navigate on campus.

What we know --

Mrs. <u>Trahan.</u> Which is why I asked that question, because as you are aware in your role as director of athletics, Title IX requires that if a school awards financial assistance to athletes, they must, quote, "provide reasonable opportunities for such awards for members of each sex in proportion to the number of students of each sex participating in interscholastic or intercollegiate athletics," end quote.

Surely the model that Georgia and other schools plan to use cannot comply with Title IX.

Mr. Whitman. We don't think that has been identified or established. We think there is a lack of clarity around how Title IX will apply to these new payments.

We currently comply with Title IX. We are required to comply with Title IX. We have every intentions of continuing to comply with Title IX.

Mrs. <u>Trahan.</u> Well, at a time when women haven't seen their fair market value because they have never had the benefit of promotion or boosting, at a time when women's fandom of college sports is surging, I would hope that we would not base forward-looking and forward-looking frameworks for how we are going to distribute those revenues based on a model where women were shortchanged.

So I thank you for the extra time, Mr. Chairman, and I yield back.

Mr. <u>Bilirakis</u>. The gentlelady yields back.

Mr. Whitman. If I could just for one final statement to that.

It is important to note that at the University of Illinois our women student-athletes will receive far more benefits in the new paradigm than they have in the previous, and that includes scholarships, that includes NIL payments, it includes a number of different benefits that will now be made available by virtue of the settlement. And so that -- it is an important note to make.

Mr. <u>Bilirakis.</u> Thank you. The gentlelady yields back.

Now I will recognize Mr. Obernolte for your 5 minutes of questioning.

Mr. Obernolte. Thank you, Mr. Chairman.

And thank you to our witnesses.

This hearing is on a topic that is very important and deeply personal to me. A little known fact, I was a student-athlete many years ago. When I was in college I played on the Cal Tech football team -- go Beavers -- when there was a Cal Tech football team. And given the high quality and caliber of student-athletes at our witness table, you would probably argue that doesn't count, and maybe it doesn't.

But then later in my life I got into video game development. And my company did the development of NCAA college football for EA Sports for a couple of years in 1998 and 1999. And I remember vividly having the argument of, like, why can't we use the student-athletes' names in the game? They told us that we could use your number, we could use your stats, we would make a player that looked vaguely like you but not too much like you.

And I remember vividly saying this is completely stupid because everybody loses.

The student-athletes lose because they are not allowed to get compensated. We as game designers lose because we are not allowed to design a game around the athletes, as we wanted to. The players of the game lose because they are not allowed to see the players that they love and recognize in the games that they bought.

So we have an opportunity here to create a system where everybody wins, where student-athletes are allowed to play the game and the sports that they love, where colleges are allowed to benefit from having these sports, where millions of fans around the country are allowed to participate in these sports and root their teams on.

So I guess my message is let's not mess it up, because we need to create a system here where everybody wins. And if we create a system where someone loses, then we are not doing our jobs right.

So one of the kind of recurring themes that has been in today's testimony has been around this question of whether or not student-athletes are employees. And I think it is really interesting because it fits into a larger debate that we are having here in Congress about whether or not when someone says, "Look, I don't want to be an employee," and an entity says, "I don't want to be an employer," does the Federal Government have the right to step in and say, "You both lose, you are going to be employee and employer"?

And I think it is particularly compelling that I have heard our student-athletes say loud and clear today that they don't want to be treated as employees.

So, Ms. Cole, I know in your testimony you said that classifying athletes as employees is not the right answer. Can you talk a little bit about why you feel that way?

Ms. <u>Cole.</u> Yes, absolutely. Thank you so much for your question, Congressman.

I mainly, as I touched on in my testimony, am just focused on continuing to promote and grow the equity with Olympic and women's sports as well, and I do believe that the employment model could make that extremely difficult.

Mr. <u>Obernolte.</u> Mr. Whitman, you had said in your testimony that one of the things that you would like Congress to do is to clarify that the relationship between school and students is not that of employer and employee. Why do you think that that

is not the right model?

Mr. Whitman. I think it is not the right model on a number of different levels.

First and foremost, from the perspective of the student-athletes, I think it creates very real questions around the taxability of some of the benefits that they are already receiving as part of our system.

I think it ultimately could result in less freedom for them in terms of the mobility to move from one school to the next.

I think it ultimately could create less protections, I think, in terms of their status on the team, the opportunity to be cut or fired if they are not performing at a certain level.

And ultimately, as we have heard from several witnesses today, the opportunity to lose roster spots across all of college athletics as a result of forcing schools to support this compensation.

And importantly, they don't want to be employees. I have had the privilege in the last 15 years of my career to work every day with student-athletes. I take a lot of pride in having a great relationship with them, of having an understanding of their experience on our campus and what we can do to improve upon it.

Not once have I had a student-athlete come to me and say, "Mr. Whitman, I would really like to be an employee of this institution."

I think we are developing a model through the House settlement that allows us to address many of their concerns. We are putting us in a position to provide them with additional compensation.

We are in a position now to offer them more scholarships. We are doing things at the University of Illinois like providing continuing education after they have broken time with the university if they want to come back and complete their degrees.

We offer enhanced medical care where our student-athletes are actually the

beneficiaries of what I would call concierge medical service. They receive 24/7 care from independent medical authorities who provide care to our student-athletes independent of any oversight or supervision from coaches or administrators.

And ultimately, they want a greater voice. And I think that we are looking for ways to develop that through SAAC, through some of the opportunities that we have given student-athletes to provide feedback on our campus, whether that is in the form of exit surveys, end of the season interviews, and more informal conversations with administrators who are embedded with their programs.

Oltimately, our student-athletes are the beneficiaries of a very robust system and opportunity. That system continues to need tweaking. But ultimately, designating them as employees is not that answer.

Mr. Obernolte. Thank you, everyone, for your testimony.

And I just in conclusion want to reinforce I think that there is a win, win, win here.

And I am hoping that Congress can work together with the NCAA and the schools and the athletes to make that happen.

I yield back.

Mr. Bilirakis. I agree. Thank you. The gentleman yields back.

Now we have Ms. Clarke from the great State of New York. You are recognized for your 5 minutes of questioning.

Ms. <u>Clarke.</u> Thank you. And good afternoon, Chairman Bilirakis, Ranking Member Schakowsky.

And thank you to our panel of witnesses for joining us today.

The NCAA's decision in 2021 to finally allow college athletes to capitalize on the value of their name, image, and likeness in the open market was undoubtedly correct and also long overdue.

For years the NCAA was content to rake in profits from the multi-billion-dollar business of college sports while hiding behind the inherently flawed and totally made-up concept of amateurism as justification for maintaining an unpaid labor force primarily comprised of Black and Brown student-athletes.

Now that the college athletes have the ability to pursue their true worth on the open market as a result of public pressure, court decisions, and State-level action which forced the NCAA's hand, we are expected to believe that college sports is in a crisis and on the verge of collapse simply because the jobs of highly paid coaches and administrators have become slightly more difficult. I don't buy it.

Ending the legalized exploitation of an unpaid labor force is an inherent good and one we should not seek to put unnecessary restraints on.

If we want to talk about protecting college athletes, let's do that. Let's talk about meeting the long-term healthcare needs of former college athletes who have suffered grievous injuries on the fields of play. Let's talk about guaranteed scholarships for 4 years.

Let's talk about the quality of education these young people receive when the sport they participate in requires time commitments tantamount to full-time jobs and requires more travel than almost any other job.

Let's talk about the revenue sharing or the multi-billion-dollar contracts that the NCAA and Power 4 conferences earn on the backs of these young people who are overwhelmingly students of color in the revenue-generating sports.

We could even talk about the role of agents and their brokers in the new NIL landscape or the attempts to artificially cap the amount a student-athlete can earn in revenue sharing and NIL deals.

But let's not pretend that a young person's ability to be compensated for the use

of their own name, image, and likeness is some kind of crisis in need of an urgent congressional action when there are far more pressing issues this committee could take up.

In fact, if we really want to dive into the core issues facing college sports, in addition to hearing from today's panelists we need to hear directly from the power players involved in the business of college sports -- the NCAA; the college football playoff and the commissioners of the Power 4 conferences, particularly the Southeastern Conference, the Big Ten Conference; the college athletes who have sued the NCAA for violating their rights and failing to protect their health and welfare; the collectives that are helping to funnel money to students and universities; the agents who claim to represent the best interest of the college athletes, but too often fail to do so; and the accountants who think they can figure out the fair market value of an NIL deal, despite the fact that corporations large and small are willing to pay ever more money for endorsements from superstars like former LSU basketball player Angel Reese.

While I appreciate the desire to examine the issues related to college athletics and the well-being of our student-athletes, the lack of participation from the powers that be and all participants in the diverse and complicated ecosystem, likely in part due to the beginning of March Madness, means that we are not ready to address these issues in a very serious way.

So I look forward to the opportunity to do so in the future.

Having said that, Mr. Chairman, I yield back the balance of my time.

Mr. Bilirakis. Thank you, Ms. Clarke.

The chair recognizes Rep. Houchin for 5 minutes please.

Mrs. <u>Houchin.</u> Thank you, Mr. Chairman, and to Ranking Member Schakowsky, for holding this hearing.

Thanks to the witnesses for your testimony. We really appreciate your time and your insight.

This issue is especially important for my home State of Indiana as we have nearly 60 colleges and universities across the State, including Curt Cignetti's Indiana University Hoosier football team in my district.

In fact, in 2014 IU was the first university in the Nation to establish a student-athlete bill of rights, which enshrined protections and commitments for IU student-athletes. And they were also one of the first universities to implement an NIL policy.

Mr. Whitman, you are a fellow Hoosier from West Lafayette. I appreciated your testimony and that of Coach Beamer, and, Mr. Egbo, your emphasis on the impossible patchwork of State laws.

As a member of the Indiana General Assembly and the State senate, I was hoping to tackle a data privacy issue for our State. I sent the proposed text of legislation to some stakeholders and they promptly replied: Please do not file this bill. We don't want to have abide by 50 different State laws.

And that is exactly what the States are currently doing with NIL. I may be the only State legislator in history to kill her own bill, but I did at that point because I understood the assignment.

So with that experience, I certainly appreciate the need for a national standard and framework. I would like to hear, though, from Director Whitman and Coach Beamer, how is the lack of a national standard impacting competition and recruiting between universities and States with different or no NIL laws?

Director Whitman, if you would like to go first.

Mr. Whitman. Thank you, Congresswoman.

The lack of clarity and the lack of transparency has become very challenging in the recruiting space in terms of the competitive field. At the end of the day, we are trying to create national competition with absence of a national framework, and that is a really difficult place for us to be.

The idea here is not to figure out who can build the best cars, it is to figure out who drives the car the best. And ultimately, the rules that are being passed State by State are standing in the way of really determining who puts together the best program, who builds the right things culturally from a leadership perspective, from a strategy perspective.

Coach Beamer and his colleagues work really hard to go out and compete on the most level playing field we can create. But the result of these State laws is that the State laws are ultimately influencing what that playing field looks like, and I don't believe that is an appropriate place for our State legislatures to be.

Mrs. <u>Houchin.</u> Coach Beamer?

Mr. Beamer. Yeah, I would agree.

And also, I know Ms. Clarke had to step out, but she and I are on the exact same page in what we are trying to get done.

She alluded to rogue agents that aren't certified. I completely agree. We need to protect our students athletes from these uncertified rogue agents.

She talked about healthcare. I agree. I think we should expand healthcare after their careers are over as we look at that as well. But it is a challenge to do that because she mentioned the NCAA is constantly getting sued of anything they try to enforce.

To answer your question, it is a challenge. We are all extremely competitive, whether it is Mr. Fry's Gamecocks or your Hoosiers or Mr. Fulcher's Boise State Broncos

or the Florida State Seminoles, and everyone is trying to find a competitive advantage.

And no one is here today saying that they are against the portal, they are against NIL, they are against expanding resources for our players. We are all just trying to get a uniform standard that benefits all of us, the schools, the administrations, and the student-athletes.

Mrs. <u>Houchin.</u> Thank you.

We have a saying in my office as we are trying to anticipate unintended consequences. We say the mouse will find the cheese. It seems like the States are getting very creative in how to give their teams a competitive advantage through their NIL State laws.

I want to touch just briefly on the current lawsuit and impending settlement.

Could either of you speak to the lack of Title IX protection and clarification within the settlement and why Congress might need to weigh in on how the NIL dollars are allocated? Whichever one thinks they can best answer that.

RPTR MOLNAR

EDTR HOFSTAD

[12:15 p.m.]

Mr. Whitman. I am happy to do that.

My understanding is that the Title IX question has not been put directly in front of the judge and that she has declined to opine on that particular issue because it is not mundane to the conflict that is being evaluated.

And my understanding is, when it comes it the distribution of the back-payment damages, those are decisions that are being led by plaintiff's counsel, not by the judge, not by the defendants certainly. And so how they have chosen to build that algorithm and allocate those dollars is really a decision that has been left to those attorneys.

Mrs. <u>Houchin.</u> Thank you.

And, in closing, I just would like to take a quote from Mr. Egbo's testimony, because I think it perfectly encapsulates what we need to do on this issue of NIL.

He says, "I'm asking you to help student-athletes by creating uniformity and stability with NIL, protecting us from employment status classification, and ensuring consistent rules can be made and enforced."

I hope we can achieve that through our work in this committee.

Thank you, Mr. Chairman. I yield back.

Mr. Fulcher. [Presiding.] Thank you, Mrs. Houchin.

The chair now recognizes Representative Dingell for 5 minutes.

Mrs. <u>Dingell.</u> Thank you, Mr. Chairman and Ranking Member Schakowsky.

As those of you know -- and I am from Michigan. College sports are a big deal.

I am committed to ensuring all athletes are treated fairly, female athletes are protected and supported, and the integrity of college sports is maintained.

As we figure this out, it is well known that women's sports often do not receive the same support, promotion, recognition, or attention as men's sports programs at schools, in the media, and elsewhere. So we have to address this as we are doing all this. We have to strengthen Title IX, improve gender equity in NIL, and ensure collective schools and conferences distribute resources more equitably.

In April 2024, the GAO reported that 93 percent of institutions with athletic programs failed to meet Title IX participation standards. And data shows female athletes are shortchanged over a billion dollars annually in scholarships.

Schools continue to invest more in promoting men's sports, and the success of revenue programs has enhanced male athletes' NIL and recruiting value. Schools are indicating that they will be giving men's basketball and football players 90 percent of the new revenue-sharing payments, up to \$20 million a year for the next decade, and publicly saying these payments don't count against Title IX.

Mr. Whitman, how can thoughtful NIL policy promote women's sports programs and bridge these disparities in treatment?

Mr. Whitman. Thank you, Congresswoman.

Title IX has been absolutely instrumental in the advancement of college athletics.

You would be hard-pressed to find any law that has had bigger impacts on the opportunities for students across this country over the last five decades than Title IX.

And, as I mentioned earlier, we are thrilled by the explosion in interest in women's sports. We have seen a volleyball match that was played in front of 90,000 people at the University of Nebraska. We have seen women's basketball played in a football stadium at Iowa. We saw a women's basketball national championship game that outdrew the men's counterpart on national television.

We have seen the NCAA now for the first time begin to reward women's

basketball performance, with the adoption of the Women's Basketball

Performance Fund -- a hugely important change that was recently adopted by the

national organization.

We have seen some of these changes happening on our own campus at the University of Illinois. We have attendance and revenue records happening in women's basketball, volleyball. We have made real investments recently in our soccer program, track and field.

Ultimately, as I mentioned earlier, we have an obligation and are complying with Title IX. And we have every intention of continuing to comply with Title IX as we move forward.

There do continue to be some questions around how Title IX will apply to these new payments. It has been a question that has needed clarity for some time. We continue to seek that clarity. I expect that will reveal itself in the months and years ahead.

Every person who sits in my chair understands our Federal obligations and will adapt our policy and our strategy to be in line with whatever clarification we ultimately receive.

Mrs. <u>Dingell.</u> Thank you. We really do have to work on this. And I always have Hutch who is trying to help me figure it out.

In February 2025, the Trump administration rescinded guidance that required NIL payments in college athletics to be proportionally available to male and female athletes under Title IX.

Ms. Cole, do you think this decision undermines Title IX's goal of ensuring equal opportunity for women in sports?

Ms. <u>Cole.</u> I am not familiar with this topic and not able to speak on the question.

Mrs. <u>Dingell.</u> Okay. Thank you. I may ask you to familiarize yourself and get you to answer for the record.

Traditionally, all sponsorship, gate receipts, donations, and TV revenue go into one pot that supports all sports without discriminating on the basis of sex. This commitment has made the United States a world power in Olympics and a global powerhouse.

Mr. Whitman -- I am coming to you again -- can you tell us what an overhaul of this precedent would mean for the athletes?

Mr. <u>Whitman.</u> I am sorry, Congresswoman. Can you clarify what -- overhaul of which precedent?

Mrs. <u>Dingell.</u> That all the sponsorship, gate receipts, donations, and TV revenue go into one pot that supports all sports without discriminating on the basis of sex. That has made the Olympics a success.

Mr. Whitman. I don't see that changing. And certainly at the University of Illinois, our intent is for our resources to continue to support all of our student-athletes.

And we do believe, under the House settlement, we will be in a position to offer additional benefits to every student-athlete in our program, whether those benefits take the form of additional scholarships, potential NIL payments, or some of the additional benefits that are now made available by virtue of the House settlement.

Our intention is to continue to invest heavily in the experience of every student-athlete who wears the orange and blue, and we think the House settlement provides us an even greater tool set to approach that opportunity.

Mr. <u>Fulcher.</u> Thank you.

The gentlelady's time has expired.

The chair recognizes Representative Fry for 5 minutes, please.

Mr. Fry. Thank you, Mr. Chairman, and I think it has been a great hearing.

And I appreciate the witnesses for being here, for your expertise, your professionalism. It is a really important issue, I think, that touches a lot of aspects in our country. People like college sports. They want to see it succeed.

And it is great to have two of South Carolina's finest higher institutions present from our football programs, but there is only one university -- South Carolina, sir. Go, Gamecocks.

And for the Californians in the room, "USC" stands for "South Carolina" and not "Southern California." We were an institution before you were a State.

That being said, the NCAA, I think the prior scheme, you had a very restrictive, not player-focused scheme that, you know, you went to school, you got a scholarship, there wasn't many other benefits that were afforded to you, maybe not the correct legal protections.

And, of course, we have seen that go the opposite way, right? And I think, in some ways, people welcome that, that players that are adults -- they are 18 years old -- are going and capitalizing on their talent, on their NIL, their name, image, and likeness. But there are some real concerns, right? And we have heard that.

Last year, I filed the Protect the BALL Act, right, which was a shield, if you will, for institutions. And the idea was that you wanted to give the breathing room between the NCAA, the colleges, the conferences, and the players to figure out the framework.

But we have, as has been alluded to -- I think Mrs. Houchin talked about it -- a patchwork of State laws. You have States that are -- Coach Beamer talked about competition, but you have State legislators that are invested in preserving and enhancing their State institutions. And so there are some dangers on the horizon on where we go from this when States are doing their own thing.

And I think the big thing that we have talked about here seems to be a level of

preemption that is needed, right, that you cannot have a patchwork of 50 State laws, that you have to have one standard, the framework maybe being provided by Congress, but most of that effort being provided by the institutions themselves, the players, the families that are affected, the conferences, and, of course, the NCAA.

That seems to be, I think, where we need to go, right, that this is a collaboration between those who are engaged in the space. It isn't a mandated, top-down heavy mandate from Congress, but there are some frameworks that should be available to allow college sports to thrive, that focuses on the players, that focuses on the college athlete experience.

And with that being said, Coach Beamer, obviously, with that backdrop, how has NIL changed just recruiting in general? Football, but you have, I am sure, heard stories from, you know, Dawn Staley or whomever. How has that changed the recruiting aspect of college athletics?

Mr. <u>Beamer.</u> Thank you for the question. And thanks for all you do for the great State of South Carolina, Mr. Fry. And great to see you again as well. As you know, this is my third time to Washington, D.C., in the last couple years on this issue. So appreciate everyone being here today to listen to us as well.

It has certainly changed things, in regards to when you are recruiting a student-athlete, finding out what is important to them. And, certainly, name, image, and likeness is another aspect of that, without a doubt.

But we are really well-situated at the University of South Carolina because of the things that we have to offer beyond NIL. As I mentioned, we are in the capital city, and there are so many opportunities for our student-athletes at the University of South Carolina.

And schools across the country should have advantages, from a recruiting

standpoint, because they have great academics -- which we do -- they have great coaches -- which in all of our sports we do -- great development, and not necessarily who pays the most.

And that is what has happened in so many instances as well. It is still about the educational experience, on and off the field, with everyone.

Mr. <u>Fry.</u> For sure.

Coach, do you think that a Federal standard -- and I think you testified to this earlier, but do you think a Federal standard would level the playing field in college athletics?

Mr. <u>Beamer.</u> Yes.

Mr. Fry. Okay.

And, obviously, you said that college sports should be less about money; it is about the education and it is about the experience.

What guidance or structure do you believe would help ensure that NIL remains a tool for empowerment rather than a distraction?

Mr. <u>Beamer.</u> Obviously, with the settlement next month, with revenue-sharing, that is going to help things. We will have a real enforcement arm behind that, is the way it is trending right now, which would be very beneficial for all coaches, all sports. And then, as Mr. Whitman mentioned, a clearinghouse for any outside income beyond revenue-share, which we are all for.

And our students athletes at South Carolina -- as you know, A'ja Wilson, a former women's basketball player, has a statue outside our basketball arena. So there are fantastic opportunities for all of our student-athletes with national legislation.

Mr. <u>Fry.</u> Coach, finally -- and I will go over here just briefly, but -- you know, I think, collectively, we have talked about maybe some of the Olympic-style sports, we

have talked about some of the smaller schools and how they might be impacted.

How do you see NIL affecting those Olympic-type sports? And can Congress help to protect those types of sports for college athletes?

Mr. <u>Fulcher.</u> Very quickly, please.

Mr. <u>Beamer.</u> Yes, sir.

No, I would say this. With the terms of the settlement -- and I am not a legal expert; I will defer to someone that is. But the way I understand it, Mr. Fry, with the terms of the settlement, all of our Olympic sports, there is an unintended consequence. There are going to be some roster spots that are cut. But all members of the Olympic sports, non-revenue sports, going forward, will be on scholarship. So, in so many ways, that has bettered their situation.

Mr. Fulcher. Thank you, Mr. Beamer.

Mr. Fry. Thank you.

Mr. <u>Fulcher.</u> The chair recognizes Representative Veasey for 5 minutes.

Mr. Veasey. Thank you, Mr. Chair.

First of all, I want to say thanks to each and every one of you for coming to testify.

I want to, for Mr. Egbo, wanted to give a special shout-out to him. My uncle, back in the 1960s, before the now-defunct Southwest Conference started accepting Black athletes, he had an opportunity and graduated from Abilene Christian University. And so I have -- my late uncle. So we have Abilene Christian University, a shared value there.

So welcome.

Mr. Beamer, we are here to talk about NIL, and I will tell you that I think that one thing that the Southeast Conference is facing -- and I talked a little bit -- touched on that earlier when I mentioned the Southwest Conference and integration. I think that the SEC, particularly, with all of the Governors and wokeness and DEI that they are bringing to

these college campuses, I think you all are going to run a lot of the brothers off, honestly.

I will be straight-up with you. You all need to figure out how you are going to make your campus comfortable for the Black athletes that are playing there, with all of this rhetoric around some of these topics.

Mr. Whitman, I wanted to also point out, you talked about the grades, and I think that you are right-on to mention that. What worries me -- and everybody knows it; it is not anything new -- that, in order for players to stay eligible and in order for players to be able to participate, that there are certain degrees that are off limits, certain degrees that make it really tough for them to be able to major in if they don't want to be moved down the depth chart and if they want to be able to stay on the team.

And so it is great to talk about that education is still one of the priorities, but everybody knows that that game has gone on for a long time, that there were players that had all these credits and the credits absolutely led to nothing, or they get a degree in something like general education to where there is not really a lot that they can do with it and no one really knows what those degrees are for.

And so I am glad that you are talking about the education, but that brings me to my first question. I want to talk about -- and I know that you are not from UCLA, but I want to just mention this. They are going to travel over 22,000 miles this season, going from the West Coast all the way over to the East Coast. And Stanford, USC, Washington, other schools are going to face those same demanding itineraries. And this is going to be disruptive to their academics.

And so, with knowing that you are going to have that increased physical and mental fatigue that is going to be taking place, how is that good for the student-athletes? I really don't understand that. These increased travel schedules, I am just curious, how have athletes been able to work around that, and how has it impacted them

academically?

Mr. Whitman. Thank you for the question, Congressman.

We have had the chance now at the University of Illinois to participate in the expanded Big Ten since the beginning of the fall, and so I have some firsthand experience watching a number of our teams make those trips.

The thing that I would remind you is that we continue to try and champion our student-athletes both in their academic and their athletic pursuits. And in the expanded Big Ten footprint, just as an example, for schools that compete at the level that we do, we are used to traveling nationally. Our student-athletes in all of our sports travel extensively, across the country, to participate in their non-conference competition.

And so, for Illinois, we have now replaced some of those non-conference competitions maybe in California or Texas or Florida with now conference competitions.

And so the chance for them is not that much different than what it was before.

Mr. <u>Veasey.</u> Yeah.

Mr. Whitman. And we are also able to provide them with robust academic support. We have tutors and academic advisers who travel with our student-athletes to help them study when they are traveling --

Mr. <u>Veasey.</u> And I am sorry to cut you off, but I might run out of time. I wanted to ask Mr. Falcinelli about that too.

Could you touch on that?

Mr. <u>Falcinelli.</u> Yeah. We had a number of games, and traveling across the country is incredibly taxing.

And especially to the point of -- I really want to get on the point of: Your practice schedule far outweighs your academic schedule, to where the majority of your time as a college athlete is spent on your sport and your workouts and your team meetings and

your practices, traveling for games, to where I have had a number of times where you are getting off that bus, returning from a game at 7:00 in the morning, and the sun is coming up, and you are thinking, great, on the way to meetings, and then back to bed, and hopefully I will be awake for class on Monday.

Those long-distance games are very tough and oftentimes lead to lack of sleep, to lack of -- all these issues that are part of it. And athletes do enjoy the pace (ph), athletes are all about the grind on it, but it is incredibly difficult and taxing to manage having a final later in the week when you are not sleeping for part of that week.

Mr. Veasey. Yeah. Thank you very much.

Thank you, Mr. Chairman.

Mr. Bilirakis. [Presiding.] Appreciate it.

The gentleman yields back.

I now recognize Mr. Goldman for 5 minutes for your questioning.

Mr. Goldman. Thank you, Mr. Chairman.

Thank you all to the panelists for being here. And, yes, I, too, am a huge fan of women's sports, especially the number-one Lady Longhorns right now.

I will be very brief.

Mr. Whitman, can you just tell us, in your world, what is the number-one producing revenue sport?

Mr. Whitman. Football, Congressman.

Mr. Goldman. Do any of the others make money?

Mr. Whitman. Men's basketball.

Mr. <u>Goldman.</u> So just men's football and men's basketball are revenue-producing; none of the others are?

Mr. Whitman. We have two other sports that produce revenue. They don't

earn profit. And so we also make money through women's basketball and volleyball as well.

Mr. <u>Goldman.</u> So they make revenue -- you know, I mean, you put it perfectly. They make revenue but not profit.

Mr. Whitman. Yes, sir.

Mr. Goldman. So how do you all divide what goes everywhere else?

Mr. Whitman. I am sorry?

Mr. Goldman. How do you divide what goes everywhere else?

Mr. <u>Whitman.</u> We generate our resources through football, men's basketball, women's basketball, volleyball, and then we redistribute that money out to fund the experience and the opportunities for the remainder of our student-athletes.

Mr. <u>Goldman.</u> So, again, like, what programs do you decide you have or not have based on the revenue that you have coming in?

Mr. Whitman. Ultimately, they are strategic decisions left to the discretion of each institution to determine for themselves what programs we wish to sponsor and at what level of resource we are able to provide them.

Mr. <u>Goldman.</u> So what is your, let's say -- what is your -- okay. You have football, men's basketball. What is -- do you have a third? What is number three?

Mr. Whitman. We have an incredibly competitive men's golf program.

Mr. <u>Goldman.</u> Okay. So men's golf, perfect example. What do those kids get paid, NIL?

Mr. <u>Whitman.</u> They do receive NIL contracts. They probably don't at many institutions, but at the University of Illinois, because of the profile that our golf program enjoys, they are the beneficiaries of NIL arrangements.

Mr. Goldman. So the golfers make money, but the program does not.

Mr. Whitman. Correct.

Mr. Goldman. Thank you.

Coach Beamer, thank you very much for being here.

Can you take us through a normal -- and I know SEC now. So when a recruit comes in -- you go to a home or a recruit comes in, what is the first topic of discussion these days?

Mr. <u>Beamer.</u> We start recruiting them really early, so maybe when they are a young player in high school, it is about the uniforms and things like that.

And then, certainly, as they get older and closer to making a decision, they want to talk about opportunities in our town, they want to talk about academics, they want to talk about playing time. We talk about the fan base and the resources and the development that our program provides.

And, certainly, NIL is a topic that comes up, but is it typically at the forefront?

Not necessarily.

Mr. <u>Goldman.</u> Define "not necessarily." I mean, let's say five-star, four-star recruits, is that not the number-one topic of discussion?

Mr. <u>Beamer.</u> I wouldn't necessarily say it is the number-one. I think, honestly, it really depends on the young man. There have been those type of players that have been in my office that it is one of the first things that comes up, and there are other players that have come in my office and it hasn't come up at all.

Now, I am not naive, to say that outside of my office with other people they may be having those conversations. But in regards to me, that is the experience that I have with players.

Mr. Goldman. And what about for the players in the portal? Is that --

Mr. <u>Beamer.</u> Players in the portal, I would say the NIL conversation is a little bit

more prevalent, because so many of those young men in the portal, they have done something at the other school in a lot of situations as well.

Being from the State of Texas, you are familiar with your rival, Oklahoma, and Spencer Rattler. Spencer Rattler transferred to the University of South Carolina.

Spencer had accomplished a lot at the University of Oklahoma. Him coming to the University of South Carolina, he had proven a lot.

So, certainly, in situations like that, going forward, there are NIL conversations that are a little bit more prevalent with transfers that have been in college.

Mr. Goldman. And that is kind of where I am going, right?

I mean, the whole student body experience, in my opinion, is to get an education first. We all know the reality of this is, with NIL, with the money in sports now, with the golfers at Illinois getting paid more than the program generates, we have a major problem in this country. And we have to fix it, and I believe now it is up to us to fix it. Because there is no equality anymore.

Mr. Beamer. Right.

Mr. Goldman. It is who gets paid the most --

Mr. <u>Beamer.</u> Uh-huh.

Mr. <u>Goldman.</u> -- and where those players go. And if they are unhappy, they transfer. And they can easily transfer. And do they go to another academic institution because of the programs that they have in education, or possibly what they are going to get paid?

These are 18-, 19-, 20-year-old kids that are out for a paycheck, rather than an education. And I think it is up to us to change that moving forward.

Thank you all very much for being here today.

Mr. Bilirakis. The gentleman yields back.

I now recognize Ms. Kelly for her 5 minutes of questioning.

Ms. <u>Kelly.</u> Thank you, Chair Bilirakis and Ranking Member Schakowsky.

As we continue with today's hearing, I look forward to discussing how we can protect college athletes' ability to benefit from NIL and NIH funding for crucial biomedical research done at our Nation's colleges and universities.

As I said in my opening remarks, indirect costs are the infrastructure that makes research possible. They are the oversight, buildings, utilities, safety protocols, training, and regulatory compliance that is a necessary part of medical research and particularly critical to clinical studies.

If these costs are not supported, institutions across the Nation, like Lurie Children's Hospital, which is affiliated with Northwestern University's Feinberg School of Medicine, will lose the ability to continue discovering and delivering cutting-edge treatments, and cures and therapies will be essentially undermined. In fact, Lurie Children's expects that by 2030 we will need to subsidize their infrastructure costs by an additional \$30 million per year.

College athletes, particularly those in contact sports like football, face significant risk when it comes to long-term health, especially concerning head injuries that may not be immediately diagnosed.

Studies have shown that around 10 percent of college football players sustain concussions each season, with many going undiagnosed and untreated at the time.

These injuries, particularly repeated concussions, can lead to long-term neurological conditions such as CTE, which may not manifest symptoms until later years.

Mr. Whitman, welcome. Given the growing body of research on the long-term effects of brain injuries, what steps are athletic directors and universities taking to ensure that college athletes have access to comprehensive healthcare, including ongoing

monitoring for head injuries even after they have left the field?

Mr. <u>Whitman.</u> Our students athletes are the beneficiaries of world-class healthcare, concierge healthcare, 24/7 healthcare that is managed by independent medical advisors, doctors, physicians.

They are encouraged to receive as many second opinions and expert opinions from any medical facility in the country when they present with injuries that require that level of attention.

Relative to the head-injury question, we have invested heavily, as an institution, into better safeguards for our students-athletes competing in contact sports, particularly in football. We now outfit every student-athlete with custom-fitted helmets that are built specifically for their head and only their head.

It is one of many changes that have come to college athletics here in the last number of years. As technology has improved, we have been able to outfit our student-athletes with ever-improving equipment that we think can help prevent those kinds of long-term injuries.

We do, as mentioned earlier, provide ongoing healthcare for our student-athletes for a number of years after their collegiate careers are over. And, again, I think that is now a protection that is provided not just at the University of Illinois but it is mandated all across Division 1, which is a tremendous step in the right direction.

Ms. <u>Kelly.</u> Thank you. And that is great to hear.

Mr. Falcinelli, Crimson, which has an enrollment of 76.5 percent of White students, received over \$25 million in 2024 from NIH to do research. Why is preserving this research important to college athletes, especially given the health risks they face on the field?

Mr. Falcinelli. Yeah. And as you mentioned with your references to CTE, there

is so much that can go on there, that it is something that is incredibly personal to me as an offensive lineman. The average life span of an NFL offensive lineman is 55 years old. That is 20 years less than the national average.

And so, while I did not play in the NFL, I sure played a lot of snaps, so that is something I think about every day. And the research into CTE is something that will be critically important to my life and to those many like me.

And I just want to say, I appreciate Mr. Whitman and the way he is running his program there and his emphasis on second opinions and independent medical care.

And that is the model that we, as an institution, want to see bargained for for all institutions everywhere. That is how a college football program should be run, and that is the kind of medical treatment that all players across the country should be able to have.

Ms. <u>Kelly.</u> Thank you so much. And I am very proud to hear that since part of his school is in my district.

So thank you both, and thank you to the witnesses.

And I yield back.

Mr. <u>Bilirakis</u>. The gentlelady yields back.

I now recognize my fellow Florida Gator, Ms. Lee, for her 5 minutes of questioning.

Ms. <u>Lee.</u> Thank you, Mr. Chairman. Go, Gators.

And thank you to all of our witnesses for being with us here today.

I would like to go back to you, Mr. Whitman, for some followup questions.

In your testimony, you advocate for Congress to establish a uniform name, image, likeness and revenue-sharing framework in line with the House settlement. How do you see the dynamic between the collectives and schools changing if we are to codify the

basic provisions of the settlement?

Mr. Whitman. Thank you, Congresswoman.

The question around the relationship between institutions and their respective collectives is one that I think is best left to those organizations.

I think there is no question that, in the new environment that will be created by the settlement, we expect those relationships to evolve.

I would imagine they would go one of three different directions. In one instance, you could see some collectives wind down and cease operations. Secondly, you could see some collectives that come, quote/unquote, "in house" to the athletic program and begin to operate internally under the umbrella of the athletics department. Or, third, you could see some collectives continue to exist separate and apart from the athletic program but repurpose their focus and begin to develop true market-based NIL opportunities for student-athletes.

Ms. <u>Lee.</u> And I would also like to discuss the application of antitrust laws to collegiate sports and the NCAA.

In your testimony, you distinguish between a blanket exemption and a safe harbor. Why do you believe that a safe harbor is appropriate? And why is that important for collegiate sports?

Mr. Whitman. It is important today to understand that we have leadership across college athletics that recognizes the need for college athletics to evolve and change, to modernize the structure that has existed for decades around college sports. The challenge that we face is that, every time we try and implement new rules, new procedures, we get pulled into court under the auspices of the antitrust laws.

And so we are not looking for Congress to, quote/unquote, "fix" college sports.

We are looking for Congress to create a legally defensible space where we can fix college

sports.

And, right now, because of the overarching concerns around antitrust and the need for us to create a national environment, that lends itself naturally to some challenges in the antitrust space. And that is where we would appreciate some protection so that we could function more openly and create that national playing field that we think everybody wants in college athletics.

Ms. <u>Lee.</u> And, Mr. Egbo, I would like to go back to you. As a student-athlete, you bring a very important perspective to the conversation that we are having here today. And we are nearing the end of our hearing, so I wanted to come back to you and ask this question.

Is there anything that you believe is an important perspective that you have not had the opportunity to share with us today or haven't been asked about yet today?

Mr. <u>Egbo.</u> Yeah, I would like to take the time to just reemphasize some of the things that I have said in my opening statement.

You know, student-athletes, we value this experience greatly. Like, this collegiate experience is something that creates opportunities. Like I mentioned, my life has changed from my opportunity to play college sports, and it will continue to change because of those connections I have.

So I want to reemphasize that student-athletes, again, when talking about employment, want to preserve those opportunities. And we believe that the opportunities that we do have come from being student-athletes first. So a lot of what we are desiring and asking Congress to help with is to protect those opportunities, like I said, for student-athletes like me that are in these situations at institutions, like myself.

But I just want to say thank you again for the opportunity to hear us, because we know that you guys care about these issues.

Ms. <u>Lee.</u> And, Ms. Cole, the same question for you. Is there anything you were hoping to share with us today or want to emphasize for our benefit?

Ms. <u>Cole.</u> I really think I just would like to emphasize how grateful I am to have had a positive experience with the new NIL regulations. And I am so grateful to all of you all for taking the time to put effort in to continue to help athletes have a similar experience as I had.

Ms. Lee. All right.

Mr. Whitman, coming back to you, how are you anticipating, what are you doing now to prepare for challenges? The settlement is approved and implemented; how will that affect the resources and the programs that you currently provide?

Mr. Whitman. It will allow us to begin generating additional resources, we think, through a number of different avenues. It will allow us to begin providing direct compensation to our student-athletes in the form of NIL licenses. It will allow us to control that environment more to provide greater accountability to our student-athletes.

Our student-athletes trust us. They trust our athletics program. They understand that we are actively working in their best interests. And we look forward to, under the settlement, being able to lock arms with them and create a stronger partnership that ultimately enhances their opportunity to be a student-athlete at our university.

Ms. <u>Lee.</u> Thank you, Mr. Chairman. I yield back.

Mr. Bilirakis. The gentlelady yields back.

And now I will recognize Ms. Schrier for her 5 minutes of questioning. Thank you.

Ms. Schrier. Thank you, Mr. Chairman.

And thank you, Madam Ranking Member.

And thank you to all of our witnesses. I have enjoyed listening to your testimony.

I really appreciate this discussion about compensating young athletes for their performance, especially as a mom of a 16-year-old basketball player and a pediatrician who has taken care of a lot of the athletes that play for you.

I also want to make sure that these athletes continue to grow and thrive, and so I just want to really drive home the point that athletes need to have universities to play for.

The United States is the gold standard in scientific research for a reason. It has always been a bipartisan priority for us in this committee and in the Congress to fund the National Institutes of Health in order to support brilliant scientists and researchers across the country who are doing cutting-edge research, who live and work in both Democratic and Republican districts. This research benefits the entire world, and our Nation takes such pride in their accomplishments.

I am a pediatrician, as I mentioned, and I have seen firsthand the kids who I have taken care of who have cancer. And most children -- people don't know this -- most children who are being treated for cancer are participating in clinical trials that are funded by the National Institutes of Health. And that is how they get access to groundbreaking new treatments that can help them do better and give them the best chance for survival. And when this administration takes away NIH funding, we are putting those kids' lives at risk.

In Washington State, we are blessed with amazing research institutions -- University of Washington, Washington State University, we have Fred Hutchinson Cancer Center, and we have Seattle Children's Hospital. Fred Hutchinson that researches cancer cures would lose an estimated \$125 million annually if

the Trump administration's 15-percent indirect cost caps go into effect.

And this phrase "indirect costs" is so misleading. The reality is that "indirect funding" just means anything other than funding for the scientists' salaries, the materials, and the equipment that are specific for that study. So if you have shared equipment, like labs or infusion centers, an MRI machine, refrigerators, computers, grant writers, all of that is considered indirect. And so it is really indispensable for the research that your universities do.

This is not insignificant. For some of the research institutions in my State, we are talking about 50 percent indirect costs. So, for every dollar that goes specifically to the project, another 50 cents goes to all of the support equipment. So this isn't cutting fat, when they go from 50 percent to 15. This is knee-capping research. And it will shut down our greatest research institutions and our medical schools.

And I am hearing from people in the middle of trials right now, scheduled to get their next dose of trial chemotherapy, and they can't get it because it is delayed. That messes up, of course, not just their health, putting it at risk, but it messes up the study, because now a dose has been given late, and how do you evaluate those results? This is already happening.

So I just want to emphasize that it is threatening the universities where you play and you coach. It makes our brightest young scientists think about not pursuing research, even though they could. And it makes our bright young scientist athletes reconsider whether they want to go into sports medicine research or sports medicine.

So I have no specific questions for all of you. I do have gratitude to all of you.

And I just want to ask that, as we consider these programs to benefit our student-athletes, that we also consider the well-being of the universities that they play for. And restoring that National Institutes of Health funding keeps our universities

strong and keeps us all at the cutting edge.

Thank you, and I yield back.

Mr. Bilirakis. Thank you.

I recognize now the gentleman from New Jersey, Mr. Kean, for his 5 minutes of questioning.

Mr. Kean. Thank you, Mr. Chairman.

And thank you to all of our witnesses for being here today.

As the landscape of college athletics continues to evolve, NIL has created new opportunities for student-athletes while also raising concerns about fairness, recruitment, and the role of higher education in sports.

As we consider Federal legislation, it is critical that we strike the right balance, ensuring that athletes can benefit from their name, image, and likeness, preserving the integrity of college athletics, and keeping competition fair for all schools, including those in New Jersey.

Mr. Whitman, thank you for your testimony. And one of my concerns is how reclassifying students as employees would drastically harm smaller universities, where we already have seen many eliminate specific sports teams or their entire sports program in its entirety.

I know that you are the athletic director for a larger school, but what are the consequences of shifting students to become employees? Are there alternative ways in which we can bring about some of the protection for student-athletes without naming them employees and potentially eliminating their chance to continue playing the sports they love?

Mr. Whitman. Thank you, Congressman.

I do have some firsthand experience with this. Prior to coming to the University

of Illinois, I was the athletic director at two different Division 3 institutions. And so I have an understanding of what it means to be at a smaller institution that competes at a different level of college athletics.

I do think that the Dartmouth men's basketball case is instructive to the question that you have asked. And, in that case, the regional director of the National Labor Relations Board found the men's basketball team at Dartmouth to be employees based on the fact that Dartmouth exercised control over their schedule and ultimately they compensated them in the form of free apparel, shoes, and sweatshirts, priority scheduling, and the opportunity to give their family free tickets.

The problem with that is, if that is the test, then every student-athlete in America at every Division 1, Division 2, and Division 3 institution is also an employee, because every school provides free sweatshirts, free shoes, free tickets for their kids to have for their families to attend their games. And that becomes a tremendous problem.

If schools like University of Wisconsin-La Crosse, where I began my athletic director career, were forced to begin compensating student-athletes, they don't have the financial resources to support a program that is required to do that, and ultimately they will have to make decisions that may ultimately result in significant reduction in opportunities for student-athletes and potentially even the closure of full programs.

And that would be catastrophic for the educational mission of college athletics.

Mr. Kean. Thank you.

Coach Beamer, do you feel NIL opportunities have created challenges in maintaining team chemistry? And if so, how do you keep players focused on the team?

Mr. <u>Beamer.</u> It is a new challenge that all of us as coaches are navigating for the first time.

To me, sir, it starts with bringing the right kind of people into your program that

certainly understand that they can capitalize on their name, image, and likeness, but making sure that is not the sole reason that they are at the University of South Carolina, for sure, and that, you know, they understand, all of our players -- they are not, but they all have a goal of going to professional football. And that is an aspect of professional football as well -- players getting paid. And some guys are going to be making more on their name, image, and likeness in college, just like the NFL players will be as well when they are paid a salary.

Mr. Kean. Okay.

And how can Federal NIL legislation create a fair playing field for all student-athletes, including those at smaller schools or in non-revenue sports?

Mr. <u>Beamer.</u> Certainly just the national legislation that we need that would, one, promote academics and enhance welfare for all of our student-athletes, that allows the conferences in the NCAA to regulate without being caught up in litigation; and then certainly something to protect the student-athletes as well, a national law that will help with the agents. Because, as has been mentioned -- there are some great ones out there, don't get me wrong, but -- in pro sports, you have to be certified to be an agent. So many of our student-athletes have agents that help them with NIL that aren't really agents, and so many young student-athletes are being taken advantage of by these.

Mr. <u>Kean.</u> Thank you.

I yield back.

Mr. Bilirakis. Thank you very much.

And now I recognize Mr. Evans from the great State of Colorado.

I am not sure if you represent Neon Deion, Coach Prime, or not. But you are recognized for your 5 minutes of questioning.

Mr. Evans. Thank you, Mr. --

Mr. <u>Bilirakis</u>. He would be a great witness, by the way.

Mr. Evans. Thank you, Mr. Chairman.

And thank you to the ranking member and to the witnesses.

No, they are actually just outside of my district. But I am honored to be representing the University of Northern Colorado, where we have student-athletes who of course will be directly impacted by the NIL reforms that we are discussing here today. And I have had the chance to hear from this institution about some of the needs for Federal regulation to set those basic rules of the road for all schools and ensure that we are setting up our student-athletes for success.

They are a Big Sky Conference member with a very -- I think they have the highest graduation rate, actually, and a very good sports program. And so I look forward to working with them to be able to just explore how we can get this critical work done.

And so my first question, with that back story, is to Ms. Cole.

Again, University of Northern Colorado, they have that very, very crucial role of setting up their student-athletes for success, not just in college but for the rest of their lives. But, as we have heard, you know, we have situations where student-athletes can get in trouble with owing back taxes or being taken advantage of or exploited.

And so I just want to hear a little bit about your experience in how, as a student-athlete, how you can navigate the NIL landscape responsibly and how institutions and conferences can play a role in making sure that students get the appropriate guidance to navigate that situation.

Ms. <u>Cole.</u> Absolutely. Thank you so much for your question, Congressman Evans.

I actually spoke on two different panels at the NIL Summit, which started, obviously, right after the laws changed, for Invesco and then Robinhood, to really bring

up the importance of awareness around these topics and education for student-athletes, especially in such a new and ill-defined space.

And I think it is extremely important that we put in programs to help make sure that these student-athletes are educated in a way that they can go into these decisions informed, to really set themselves up in the best position to thrive both during and after their collegiate careers.

Mr. Evans. Thank you.

And kind of continuing on that same vein of questioning, Mr. Egbo, you served some time on the Student-Athlete Advisory Committee. Can you just talk a little bit about how that exposed you to some of the decision-making processes for your athletic department?

Mr. <u>Egbo.</u> Yes, I was on SAAC for my institution, president, and then represented my conference, and then now sit on National SAAC, which I am on the joint council with Josh.

Integrated in every level of governance and decision-making. At the national level, 32 reps, 1 from each Division 1 conference, we sit on every voting standing committee, on council, and board of directors, and board of governors.

So just being exposed to that, and also trying to, you know, create more avenues, like Josh mentioned earlier, to give student-athletes more decision-making influence and voice is very important.

But we are integrated in it, and there is a system in place right now to have that continue to be built up.

Mr. Evans. Thank you.

And then to Mr. Whitman, you know, we have heard today about some of the good work that institutions are doing to make sure that they are taking care of their

student-athletes, but we also understand that there is a need for, again, just basic rules-of-the-road legislation.

For example, one thing that I specifically heard from my athletic director at the University of Northern Colorado -- and it seems to be a concern that you all are facing as well -- is, last week, CBS Sports obtained a draft bill from the capitol in Springfield to exempt NIL payments from State income tax, which is modeled after some policies in other States.

And so the question is: Do you think that that patchwork, where some States are able to exempt those payments from income tax, gives a competitive advantage? And how do you think that affects the recruiting landscape without general rules of the road?

Mr. Whitman. Thank you for the question. And, yes, I absolutely do think it is a competitive advantage. And that is the kind of political maneuvering that we need to try and eliminate through the use of Federal legislation.

Right now, we have this environment that makes it very difficult to compete on a level playing field, which is the point of college sports -- is, when Coach Beamer goes out on Saturday afternoon, to know that he has the same opportunity for his team to be successful as those teams that he is competing against. And, right now, some of these State laws are creating inequity across our system that really only can be addressed through Federal legislation.

Mr. <u>Evans.</u> And so, with my last 20 seconds, just very briefly, how do you see such a piece of legislation structured to give the institutions the flexibility they need to be able to do the good work that many of them are doing but also to provide that guidance?

Mr. Whitman. Ultimately, I think it is on two fronts. One is preemption, making sure that this new piece of legislation preempts State efforts to address some of the issues that are active in college athletics.

And then, secondly, as I discussed with Ms. Lee earlier, I think it is important that we create some limited antitrust safe harbor so that we have flexibility to manage our own house. And we have heard from you and your colleagues that people are interested in seeing college athletics step up and manage its own affairs.

Mr. <u>Evans.</u> Thank you.

Mr. Whitman. We would like to do that, but we need additional resources on the legal side to manage.

Mr. <u>Evans.</u> Thank you.

I yield back.

Mr. <u>Bilirakis.</u> The gentleman yields back.

Now I recognize the vice chairman of the full committee, Dr. Joyce, for your 5 minutes of questioning.

Mr. <u>Joyce.</u> First, I want to thank Chairman Bilirakis for holding this important hearing and for allowing me to waive on.

I also want to thank the witnesses for appearing.

The unique nature of college athletics is something that is firmly embedded in American sports, in our psyche and in our culture. Millions of Americans have been able to attend college and excel both on and off the field because of the opportunities that the NCAA and their member institutions offer.

In the wake of the Alston decision in 2021 and the changes in the NIL policy, we recognize that the amateur model that had existed at colleges across the country must evolve.

In the Commonwealth of Pennsylvania, steps have already been taken to ensure that student-athletes can navigate the evolving NIL landscapes responsibly. Penn State has been a leader in ensuring that NIL opportunities are both beneficial and sustainable

by offering robust financial literacy programs and prioritizing student-athlete well-being.

This year, Penn State Athletics announced the creation of the ROAR Solutions, a powerful and dynamic group of resources assembled to deliver the best student-athletes endorsements and support in the country. This collaboration between the university and the world-class student-athletes at Penn State -- like NFL player Mike Gesicki, sports commentator Adam Breneman, and 2025 Super Bowl champion Saquon Barkley -- will help to tell the unique stories and propel their careers forward.

Besides my alma mater of Penn State, Pennsylvania hosts 14 other D1 schools.

These universities range from large universities, like the University of Pittsburgh and

Temple, to smaller colleges, like Bucknell and St. Francis University.

The experience of being a student-athlete not only prepares great opportunity -- academic opportunities, but allows young adults to enter the world after college. In my own congressional office, we have an outstanding example of this:

Lili Benzel, a former St. Francis University basketball superstar and three-point specialist, who I am proud to have as my director of operations.

As we consider NIL as legislators, we must examine this issue and the impact that any action will not only have to big teams like Penn State but also the ripple effects that this might have on the St. Francis University women's basketball team, the Shippensburg baseball team, the Juniata College volleyball national championship team, and the thousands of athletes who compete and go to school every day in Pennsylvania-13.

Mr. Whitman, in 2021 Pennsylvania's NIL law went into effect, and subsequently they have had to amend their law several times, largely to respond to other States seeking a competitive advantage in the recruiting of athletes. Additionally, States are now looking to other laws, as we have discussed, to do the same regarding tax law.

What are the dangers to this approach, when States are creating and amending

tax laws to seek competitive advantages in college sports?

Mr. Whitman. Thank you, Congressman. I think your question strikes at the challenge that we confront and the reason we are all here today, is the need to identify a standardized playing field for college athletics.

And as States have become increasingly active in passing legislation to benefit their hometown institutions, that is a new phenomenon. It is not something we have experienced in college athletics in the past, and we believe it is antithetical to the purpose of college athletics, which, again, is to educate our student-athletes but also to provide them a world-class competitive opportunity on the most fair and even playing field that we can create.

And the only way, at this point in time, for us to be able to do that is to get some support from the Federal Government and ultimately to preempt those State efforts.

Mr. <u>Joyce.</u> Ms. Cole, as a student-athlete who has to deal with the ever-evolving situation, in your opinion, what are the greatest misconceptions that the public has about NIL?

Ms. <u>Cole.</u> That is a great question. And I think the main misconception that I have seen is, you know, people really only think of, like, football and collectives whenever this conversation comes up, and it is really under two different buckets. There is also the whole legitimate NIL side of actually working with brands separately on these different brand deals.

And so there really are, like, two different buckets, and I think a lot of people get them confused. But a lot of my experience and expertise is totally within the more -- working with companies to do brand partnerships, which is separate from the collective conversation.

Mr. <u>Joyce.</u> Coach Beamer, with the remaining time, I wanted to see if there was

anything that we haven't discussed today that should be brought into this conversation regarding NIL from your perch.

Mr. <u>Beamer.</u> No, I think it has been very beneficial for all of us, without a doubt, that we are all pro-student-athlete, but making sure that we understand it is still about the educational experience.

And it hasn't been mentioned, but there are a lot of rules that have come up, there are a lot of laws that have been changed and talked about. One thing that hasn't changed is, student-athletes still have to go to school to be eligible to compete in college athletics. And just making sure that we don't get too far away from the educational model as it stands right now.

Mr. <u>Joyce.</u> Coach Beamer, I am glad that you put that exclamation point on the question, because the educational model -- the experience is important, but to walk away with a class-A educational experience is what student-athletes should want to achieve.

Mr. Chairman, again, I thank you for allowing me to waive on, and I yield back.

Mr. Bilirakis. Thank you. I thank the gentleman.

Now we have Representative Carter for his 5 minutes of questioning.

Welcome, sir.

Mr. Carter of Georgia. Thank you, Mr. Chairman.

And I appreciate all of you being here. I know you are tired and you are ready to go, so we will try to be succinct and get to the point.

Thank you, Mr. Chairman, for allowing me to waive on as well.

You know, NIL, as we all know, has certainly changed sports, but it is really a great opportunity. And I hope we will recognize the opportunity that it brings for student-athletes as well as for fans like myself, a graduate of the University of Georgia.

Go, Dogs. So, just want to get that out there real quick.

But, nevertheless, it is something that we in the State of Georgia have tried to address, and the State has actually come up with some State laws. The Governor and the State legislature have already passed executive orders and bills to make the State of Georgia one of the country's most competitive NIL-participating States.

And that is one thing that concerns me, and I suspect it concerns all of you all, is that consistency throughout the country. Because that is very important then. And I think that is the role -- I hope that is the role, anyway -- that the Federal Government can play, is making sure we are consistent.

Another thing that I am concerned about -- and I would suspect that, Ms. Cole, you are concerned about this too, and you have mentioned it -- is how the proceeds are distributed throughout the sports.

As a student at the University of Georgia in 19-uhh, I will tell you that, you know, I thoroughly enjoyed all the sports that were offered. Obviously I am a big football fan, but I will never forget, I got to see John McEnroe play tennis at the University of Georgia when he played -- when he went to 1 year at Stanford. And what a great experience that was. But even the gymnastics, all the other sports are so very important.

Coach, would you agree with that? Would you elaborate just a little bit on how important it is for us to make sure we keep those -- I am not going to refer to them as "minority sports," but -- those less popular sports, if you will?

Mr. <u>Beamer.</u> Yes, sir. And your Georgia Bulldogs come to Columbia tonight for basketball. So go, Gamecocks --

Mr. <u>Carter of Georgia</u>. They do that.

Mr. Beamer. -- in Columbia as well.

No, to me, it is -- and I tell people this all the time, Mr. Carter -- it is what I love about my job, is being in the middle of a college campus, where I am able to be a part of

the entire athletic fabric and support all sports and go and watch our men and women compete.

My wife is here with me today, and our three children. They love being a part of a college campus, where we are able to go see the different sporting events. And I have two young daughters that are teenagers that certainly enjoy going to watch sports. And being able to take them and support all of our student-athletes, not just the football program, is something that is very special and important to me.

Mr. <u>Carter of Georgia.</u> What about South Carolina? Do they have a plan on the sharing among the sports, on the different sports? Is there -- or how is that handled?

Mr. <u>Beamer.</u> Yeah, I believe it is obviously in the works. And our athletic director, Jeremiah Donati, has done a great job of spearheading that and communicating to all of us coaches at the University of South Carolina some of his initial plans as we get ready to finalize it.

Mr. <u>Carter of Georgia.</u> Mr. Whitman, what about at Illinois? How do you all handle that?

Mr. Whitman. As at South Carolina, across the country, all of our schools are working to identify what those plans will be, how we will handle the new opportunities that are made available to us through the House settlement.

But I would just reiterate a point Coach Beamer made, which is, it has become very popular in today's world to take shots at college athletics. There have been a lot of cynics who have developed around the industry of the college athletics ecosystem. And I would just encourage people to spend a day on our campus to really interact with our student-athletes -- we have great representatives here on the panel today -- but to understand that the core of college athletics remains as true as it has ever been.

It is about education. It is about personal growth and development. It is about

how a program like ours at Illinois can bring people together from all walks of life. It is just an incredibly important part of the American tradition.

Mr. <u>Carter of Georgia</u>. Right.

Mr. Whitman. And there is nothing that has changed from that as college athletics has continued to evolve over time.

RPTR MCGHEE

EDTR HOFSTAD

[1:13 p.m.]

Mr. <u>Carter of Georgia.</u> Ms. Cole, let me ask you again, has NIL changed the environment of the team sports and the chemistry between teammates now that money is a factor there?

Ms. <u>Cole.</u> That is a great question. I think we all note the majority of that change is not happening in cross-country and track, the sports that did I participate in. So I didn't witness those types of changes yet, but I can see how it would be a factor in other sports.

Mr. Carter of Georgia. Mr. Egbo?

Mr. <u>Egbo.</u> I mean, yeah, I think it is different for every team, you know, different cultures at different teams, but I think, at the end of the day, I said earlier, most of the athletes aren't anti-getting-paid. So it is a matter of, you know, just another factor of team culture and chemistry, but it is not a negative factor.

Mr. <u>Carter of Georgia.</u> Great. I am glad to hear that, and I hope that remains the same as well.

Again, I want to thank all of you for being here. And, you know, we are all big sports fans, and especially college football. I mean, if you live in the South, you are a big college football fan. And we want to see this -- we want to get this right. We want to help you, but we don't want to hurt you. But we do want to help you.

So please know that we are on your side, and we are -- we really appreciate you coming today and really appreciate your participation in this.

Mr. Chairman, I yield back.

Mr. Bilirakis. Never thought I would agree with a Georgia Bulldog, but I do in this

case. You know, we don't want to lose the school spirit. That is for sure.

All right. I now will yield some time to the gentleman from Texas, Mr. Pfluger. I believe he is a Red Raider.

Right? Is that right?

Mr. Pfluger. Well, Mr. Chairman --

Mr. <u>Bilirakis.</u> I know you represent Baylor.

Mr. Pfluger. Well, I am actually an Air Force Falcon --

Mr. Bilirakis. Oh, that is right. That is right. Right.

Mr. <u>Pfluger.</u> -- a student-athlete, which I don't know if we talked about a service captain is. But --

Mr. Bilirakis. Absolutely. Go ahead. I yield --

Mr. Pfluger. -- that is a special --

Mr. <u>Bilirakis.</u> -- to you for 5 minutes.

Mr. <u>Pfluger.</u> -- special case. Thank you, Mr. Chairman.

I will get right into it. And thank you all for being here. Five minutes is not enough to ask questions.

But, Coach, I will start with you. Do you think that the conferences have aligned themselves as a result of no Federal standard for NIL?

Mr. Beamer. Well, first of all, thank you for your service to our country as well.

I believe the conferences are certainly, as a whole, trying to align themselves for the betterment of the student-athlete experience and college athletics, but, within that, there are individual States within those conferences that are trying to find a competitive advantage to better their individual States, as we have discussed in here.

Mr. <u>Pfluger.</u> One thing I am worried about is just having, you know, East Coast, West Coast -- you know, you have got UCLA and Rutgers in the same conference. And

as a student-athlete, I mean, that is a tough -- especially if you are playing multiple games, that is a very tough thing. So lack of a Federal standard I think is an issue.

And then I will go a step further and get your thoughts on the threat to the non-revenue-generating sports, the threat to women's sports. You know, talk to me about, is there such a thing as too much market share for one conference or another? And we are seeing a lot of domination, and does that then affect how the Title IX sports and how the non-revenue Olympic sports are able to actually exist?

Mr. <u>Beamer.</u> Yes, certainly with the upcoming settlement next month, it would better the situation for the non-revenue sports, because they would all be part of a roster cap that they are all on scholarship as well.

And I am all for that, absolutely, as those sports continue to advance. I mean, these are three fantastic athletes right here, and I know two of them were in football, but with Emily from track and field as well, we want those opportunities to continue for all student-athletes.

And you have seen what the student-athlete experience can do for people, with these three being here today. I know, as a guy that is going to be 48 at the end of the month, I was nervous as heck coming in here today. And to see what they have been able to do as young people because of their experience as student-athletes, I have so much respect for, and want the continued advancement of all student-athletes in all sports.

Mr. <u>Pfluger.</u> Mr. Chairman, there is a tweet by RG3. It says, "The Soul of College Football is dying because of money. Allowing the Big 10 and SEC to get 4 automatic bids into another expanded College Football Playoff" -- anyways, I want to enter this into the record, because I think it is important.

Mr. Bilirakis. Without objection.

[The information follows:]

****** COMMITTEE INSERT ******

Mr. <u>Pfluger.</u> Thank you.

And I love competition, love the fact that -- Mr. Egbo, I will go to you, because I am 90 miles south of you in my hometown of San Angelo. So thank you for representing Abilene Christian here. And talk to us about the pros and cons of being a student-athlete.

Coach, I love what you said about being a student-athlete. That is the most important thing. I was a student-athlete, if you can call it that at an Air Force Academy; it is more of a, you know, military school.

But talk to us about the opportunities that you have been provided because of being a student-athlete.

Mr. <u>Egbo.</u> Greatest experience. I mean, you said there is nothing like it, and it is true, and I am an embodiment of that.

I mean, the opportunity that I got to walk on to Abilene Christian, it eventually paid for my undergraduate and graduate. It allowed me to work with the president of my university; I was a presidential intern my senior year. It allowed me to make the connections I have made. Student-Athlete Advisory Committee at the national level.

I mean, you can point almost to every good thing that has happened in the last 5 years to some sort of experience as being a student-athlete. It is the greatest experience that I think exists in this country.

Mr. <u>Pfluger.</u> Folks at Abilene Christian would be very proud of you. They are very proud of you for representing so well today.

I am sorry I don't have time to go to everybody, but I will go to Ms. Cole, because I have three daughters, and, you know, wanting them to have that experience. And, you know, what is, in your -- wave your magic wand, and what is the -- what needs to be fixed first, from your perspective?

Ms. <u>Cole.</u> Yeah, absolutely. Thank you so much for the question and also for everything you do for the great State of Texas. I am actually from Houston, so --

Mr. <u>Pfluger.</u> Oh, great.

Ms. <u>Cole.</u> Yeah. I am very grateful for everything that you do.

But I actually -- I think that there should be a big emphasis on giving these female athletes the same platform and voice that the male athletes have been given. And that is something that we have been able to see happen through social media and all of these female athletes being able to prove that they can sell tickets and they can make money.

And, obviously, there is still a lot of work to be done, but I really believe in the power that social media has had in helping these female athletes have the platform and voice to show that we can do the work and have the potential to drive the same progress and revenue that men's sports do.

Mr. <u>Pfluger.</u> Fantastic.

Mr. Chairman, I have to thank you for continuing to lead on this issue, with all the other things that we are doing.

Having these three student-athletes here, but also the experience you get -- I think you are right, Mr. Egbo, that, you know, learning how to be on a team, learning how to compete, that is a skill for life.

And I know Coach -- by the way, "Sandstorm," interesting how that has just been a phenomenon that has taken off. That doesn't have anything to do with NIL.

But, Chairman, thank you for -- it is the song they play in advance of the games at the South Carolina Gamecock football games. They have this European dance song that they play.

Mr. <u>Beamer.</u> He has heard it as a Gator when they have come to Columbia.

Mr. Pfluger. Anyways, Mr. Chairman, great job, and I yield back.

118

Mr. Bilirakis. My pleasure. Thank you.

I just want to tell you all, you all did an outstanding job. And I appreciate, it is a sacrifice, the time that you have given to us today.

And I am telling you, we are going to get a good bill. We are going to build some consensus on both sides of the aisle, partially because of your testimony today. So we appreciate you so very much.

I ask unanimous consent that the documents on the staff document list be submitted for the record.

Without objection, so ordered.

[The information follows:]

****** COMMITTEE INSERT ******

Mr. <u>Bilirakis.</u> I remind members that they have 10 legislative days to submit questions for the record. And I ask the witnesses to respond to the questions promptly. Members should submit their questions by the close of business on March 18th.

[The information follows:]

****** COMMITTEE INSERT ******

Mr. <u>Bilirakis.</u> So, without objection, the subcommittee is adjourned. Thank you so very much. We appreciate all of you.

[Whereupon, at 1:21 p.m., the subcommittee was adjourned.]