

NCAA Division III Fact Sheet for Congressional Districts 40 & 46

Chapman University is in full support of the NCAA's desire to partner with Congress to improve outcomes for student-athletes and secure an equitable, sustainable future for college sports. However, there are serious threats facing NCAA Small College Sports because of some of the proposed changes.

- The NCAA agrees that change is overdue and student-athletes' interests must be prioritized, but **classifying student-athletes as employees is not the right solution**. Recent progress includes launching an insurance fund for all three Divisions to have access to post graduation and establishing student-athlete protections for Name, Image and Likeness.
- National Labor Relations Board (NLRB) cases and lawsuits revolve around individuals or a team at a single school, but those decisions could apply to and have **disastrous implications for all 500,000 student-athletes and 1,100 schools across all three divisions**.
- Hundreds of student-athlete leaders from all three NCAA divisions oppose becoming employees and have called on Congress to partner with the NCAA to set national standards and stop employment efforts.
- Women's sports and Olympic sports provided by colleges are almost entirely subsidized by student fees or football revenue. The cost increase associated with collective bargaining would destroy the current ecosystem that supports women's and Olympic sports.
- Less than 5% of the 1,100 athletics departments across the U.S. generate a profit, but recent NLRB actions and court cases do not distinguish between athletics programs that make money and those that lose money.
- For many schools, the costs associated with an employment model would surpass their entire athletics budget, in some cases doubling, tripling or quadrupling their current athletics program allocations. Many schools might opt to drop their NCAA sports and move to a club/intramurals model, resulting in less opportunities for young people and a blow to this uniquely American pastime. **At Chapman, for example, paying our 600 student-athletes a minimum wage for 20 hours/week for 19 weeks (length of season) would cost the university over \$3.7M in wages. This would increase the operating budget for Chapman Athletics by nearly 70%, which would be unsustainable.** This number does not include offering additional workplace benefits that may be required. Chapman already provides supplemental injury health insurance to student-athletes. Also, changing a coach-student relationship to employer-employee would be detrimental to the student-athlete experience and could create myriad unintended consequences.
- This would be especially harmful to those schools, including many smaller independent schools and HBCUs, in which offering students the opportunity to continue to compete athletically beyond high school is a key part of their enrollment efforts and campus culture, and could threaten the broader financial health of these schools.

Why Division III Sports Should Be Protected:

- Student-athletes continue to thrive academically and are graduating at record rates. In all three divisions, student-athletes graduate at a rate as high or higher than their student body peers. **At Chapman, our student-athlete GPA (3.4) and retention rate (93%) are also higher than the general student body.**
- Former student-athletes are thriving at higher levels and are more likely to earn an advanced degree compared to their nonathlete peers, according to a 2020 Gallup study. **Chapman student-athlete alumni are working for employers such as NASA, Microsoft, Ernst & Young, as well as becoming doctors, lawyers, and filmmakers.**
- The overall life and wellness benefits of being a collegiate student-athlete are immeasurable. The more than 400 schools that are members of Division III provide these opportunities for more than 200,000 college athletes and impact communities across 34 states, the District of Columbia and hundreds of congressional districts.
- While Division III schools don't provide athletics scholarships, roughly 80% of Division III student-athletes receive some form of academic grants or need-based scholarships.
- Nearly one in three students at Division III schools are student-athletes, the highest proportion of the three divisions. **At Chapman, athletes represent around 10% of our student population.**