

Update on Legal Cases and Legislation Affecting College Athletics

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Topics: Transfer portal, conference realignment, student athletes being able to be paid, students suing coaches...

House settlement – will transform college athletics again

1948 – NCAA first permitted schools to offer scholarships to students and about 10 years later allowed paying for room & board

Sherman Act – Anti-trust law

UCLA – Ed O'Bannon (1995 MVP). In 2009 he noticed a video game that was using his likeness. He challenged the rule of being able to pay student athletes. Amateurism was the argument for not paying athletes. As a result of this case, student athletes could get paid full price of tuition.

Austin Case (2014). Again, accepted amateurism model as reason to not pay student athletes. No court has ruled that student athletes are employees. But did say that students could receive athletic and academic awards. Supreme court affirmed the decision to allow academic awards (up to about \$6000)

House case (2020). All cases have been assigned to the same Judge – Wilkins. Class action under anti-trust laws. Grant House, swimmer at ASU. Men's Football, Men's & Women's Basketball players then all other sports got lumped together. Back-pay component – 2.75 billion dollars – will be distributed to student athletes who have submitted claims. Settlement takes away scholarship limits. Can add additional scholarships for all roster spots. Any deals over \$600 have to be reported. Settlement hearing is April 7th.

2023 – Ohio vs. NCAA, re: transfer eligibility rule that said that if you transfer you have to sit out a year. Judge struck this rule down, so this rule no longer stands.

2024 - Tennessee vs. NCAA re: students being recruited through the portal – reversed rule regarding NIL discussion while in the transfer portal. Now student athletes can start talking to schools about what their revenue shares will be and what NIL opportunities there will be when they are in discussion in the transfer portal.

Johnson in PA – case questions whether student athletes are employees. Also 2 cases about whether student athletes can unionize.

Only real fix is federal legislation – which we are not going to get.

FAR perspective: having to think of cutting roster size, even sports – discussion that some school athletic departments will look more like club sports. Only about 10 schools actually make money from athletics – most programs just fund themselves (actually men's basketball and football pay for all sports). Transfer portal issues – no advising systems, students experiencing academic harm and issues. Faculty frustrations – students not showing up to class, not doing their work, having to pay more and more for tickets, being asked to donate.

NCAA Updates

(including current graduation rates and transfer portal statistics)

Binh Nguyen, Director of Academic and Membership Affairs

Geoff Bentzel, Director of Division I

Geoff Bentzel: House, Hubbard (Alston back-pay) and Carter pay-for-play/revenue sharing, broadened to cover all sports and all DI institutions).

NCAA will allow direct payments to student athletes – 22% of the average of a defined subset of revenues of the A5 member institutions – pool will be same amount for every DI institution.

Roster Limits: Total team athletic scholarship limits eliminated in favor of roster limits. Ivy league does not have to follow roster limits. All athletic scholarships will be equivalency awards.

DI decision making working group: to redesign the DI governance structure

Student-Athlete Eligibility Review – There has been a lot of new litigation that has been filed. Review is designed to create a system where there is membership buy-in and more certainty – having something that is simpler and straight forward. Such things as years of eligibility, prize money impacting eligibility, agents, academic eligibility.

Binh Nguyen:

Portal – student athletes do have a video they have to watch before entering the transfer portal. NCAA is also in the process of collecting data on the impact of transferring. They haven't seen a lot of multiple transfers, but looking at another year of data collection and graduation rates. 351 DI schools, and all have different academic standards, so it is challenging to advise students accordingly. At this point there is no knowledge test that ensures students watch the video – this was a suggestion by the COIA at the meeting to have them start.

NCAA DI committee on Academics to implement the graduation passport (considering also implementing in DII and DIII):

- Modernize and enhance graduation tracking

- Unlock ability to develop new graduation metrics
- More accurately answer broad questions about transfer graduation
- Monitor trends to inform future policy/legislative changes

Pilot to be implemented this Spring, will report back to Committee on academics in May

Reporting out of the 2018 cohort for graduation rates – these students were impacted by the transfer portal opening (2018), COVID (19-21), and NIL transactions (2021).

- 90% DI graduation rate (86% men, 95% women).
- In the past 20 years, there have been significant gains in graduation rates overall and in Black and Hispanic/Latino student athletes
- In 2024 there were 24,204 student athletes who graduated – this may be high because of COVID year
- Graduation rates are publicly available & they will share with the committee (will check to see if we can share publicly)

Discussion: Sports Betting on College Campuses

Public Health emergency on college campuses

58% of students reported engaging in gambling – didn't matter if it was legal or illegal in the State. Women are on the rise in gambling (it has historically been higher with men).

Trends – sign-up bonuses to start gambling. Micro-betting, real-time betting encourages impulsive betting. Companies are marketing towards college students. Peer pressure. Social environments are encouraging gambling.

How does this impact our students? College students are more likely to have gambling issues, 6% meet DSM criteria for gambling disorder. High suicide rate for those diagnosed with gambling addiction. It is a hidden addiction. Impacts academic performance.

Students using financial aid or loans to gamble and incur substantial debts.

NCAA has new responsible gambling commercial & one about not harassing athletes

It's happening on your campus whether it's legal or not. Smart to have a gambling expert on campus or available via telehealth.

Panel Discussion: University Athletic Directors & University Coaches

Keith Carter, Athletic Director, University of Mississippi

Discussion: What Role Should the Faculty Play in the Changing Athletic Landscape?

Transferring being so accessible – issue with what credits are transferring, and losing credits. How do we help student athletes maximize their transfer credits? Faculty in specific departments could help with this by reviewing courses and syllabi. Concern that we are going to start seeing student athletes not getting degrees because they have transferred so many times.

Faculty could help by being flexible and willing to help and accept change. Goal is to help students obtain a meaningful degree. It would be helpful to encourage students to keep all syllabi from their courses to help with the transfer.

Seeing students stay longer because of NIL – which helps with the graduation rate.

Important to remember that not all athletes are the same. They are not all planning on going professional. A lot of student athletes are high performing in academics. Important for faculty to remove bias – don't generalize off of a couple bad examples.

Remember that a lot of student athletes don't get a break – they are practicing during school breaks.

ACE's – Ole Miss conducts ACE tests on all student athletes to see if a trauma informed care approach should be taken.

Practicum issues – athletic program should work closely with the program to carve out time and be flexible.

Financial literacy – have trainings and resources available. It's important to provide education to the student athletes. Ole Miss has an accountant come and talk to the students about taxes and implications of money from NIL and other sources. Brought in people from the Bank, investment professional, retirement advice.

Ole Miss has former players come back and talk to current athletes about what they did right and what they did wrong.

Ole Miss has full-time nutritionists who work with the student athletes individually and the cafeteria the student athletes go to.

Encourage faculty/athletic partnerships – example, allow faculty to travel with the team to see how hard the students work. Communicate with faculty about what the expectations of student athletes are – talk to departments, faculty senate... Be intentional to build bridges between faculty and athletics.