

Policy Point—Counterpoint:
Are Colleges and Universities Obligated to Provide Student-athletes with Additional Compensation beyond Tuition, Room, and Board?

Each year in the U.S., almost half a million student-athletes participate in one or more of the two dozen sports offered at the college and university level.¹ Founded in 1906 with the supposed aim of protecting young people from dangerous and exploitive athletic practices,² the National Collegiate Athletic Association (NCAA) today works with 1,281 higher learning institutions to oversee standards applied to athlete recruitment, competition, and benefits. Division III schools are not allowed to offer athletic scholarships, and the NCAA closely monitors for potential scholarship violations. A small percentage of Division I and II athletes receive scholarships that pay for all or part of their expenses. Most student-athletes, however, will receive no more than partial—if any—benefits to defray the costs of attending college. Only a tiny fraction of currently enrolled student-athletes will ever sign a professional contract.

Annually, the NCAA takes in a little over \$1 billion in revenue, mostly from sponsorship of the Men's Division I Basketball Tournament (popularly known as March Madness) via ticket sales and television contracts. This billion dollar amount includes \$160 million per year in “cost-of-attendance” benefits, stipends added to certain major sports program scholarship packages in 2015 as a consequence of two lawsuits filed against the NCAA.³ Most of these monies are returned to colleges and universities in the form of sports scholarships.⁴ Added to that, university sports programs also make money from donations and licensing rights and fees.⁵ Today, however, no more than 2 percent of high school athletes receive scholarship money to play intercollegiate sports. So-called “full-ride” scholarships are especially rare, and are only granted to students in six out of the twenty-four sports sponsored by the NCAA.

The NCAA claims non-profit status and does not provide athletes with any aid beyond tuition, some health insurance, room, and board (and sometimes fees and books). Profits stemming from the performance of college athletes does accrue among many other individuals, however, including coaches, administrators, conference commissioners, and bowl officials. Indeed, the head men's football or basketball coach at the major land grant university in most states often receives greater monetary compensation than any other public employee in that state. Moreover, at some universities, coaches are rewarded with monetary incentives built into their contracts if players they supervise meet goals such as winning individual titles or conference championships.⁶ Furthermore, athletic directors and some assistant athletic directors also receive financial bonuses tied to team or individual accomplishments, even in sports where their direct involvement is only tangential. The rationale is that these administrators are being additionally compensated for overseeing the development of conditions which led to successful performance outcomes.

The question frequently arises in college athletics as to whether or not athletes should be considered as employees and, thus, eligible to receive benefits above and beyond the basic necessities required to attend school. In this vein, distinctions are often made between the value created (for the university) by athletes involved in revenue sports as opposed to those participating in non-revenue competition. The tenets of amateurism are often touted as central to the character of college athletics, as is the considerable worth of benefits already received by many student-athletes. On the other hand, pundits debate whether college athletes should be allowed to unionize and bargain collectively based on the value of the services they provide to educational institutions.⁷

Point: Colleges and Universities Should Provide Student-Athletes with Additional Compensation beyond Tuition, Room, and Board

There are few industries in which employees are required to work up to twenty hours per week (in addition to the expected academic workload of a student), with only one day off—which sometimes is spent on a bus traveling to the next job site—all for no pay. Student-athletes raise money for their institutions, provide subsidized entertainment and inspiration for the student body, and supply colleges and universities with countless forms of promotional material, all without being paid. True, some athletes are fortunate enough to earn scholarships, but these awards are rarely the full-ride dream. If institutions are asking student-athletes to commit considerable time and effort to a sport from which the institution earns money and publicity, then the performers need to be compensated for their labor.

The NCAA has strict “countability” hours limiting the amount of time student-athletes can spend in athletic-related endeavors.⁸ Theoretically a student-athlete (with the exception of football players) cannot be engaged in athletic-related activities for more than twenty hours per week while in season. These twenty hours do not, however, include travel time, time spent in the training room, time spent training alone, “volunteer” activities in which players represent the team with or without a coach present, community service, or fund-raising activities. Interestingly, though athletes are limited to a maximum of four hours per day in athletic-related events, game day counts for only three hours no matter how much time is actually occupied by the athletic activity. For all of this time commitment, a student-athlete may or may not be compensated by a scholarship.

In a 2011 survey conducted by the NCAA, baseball players reported spending an average of 42.1 hours per week involved in athletic-related events while in season.⁹ That amount of time in almost any field of employment would be considered a full-time job. Few non-athlete college students work a full-time job on top of classes. University faculty members and administrators usually recommend that undergraduate students work no more than ten to fifteen hours per week if they are carrying a full course load so as to leave enough time for their studies.¹⁰ Among athletes, not everyone on the team has a full-ride scholarship, hence they are taking on a recommended level of work but without monetary gain. On top of tuition, room, and board, student-athletes also need hygiene products, clothing, gas, and other incidentals—all things that require money and for which scholarships can rarely be used.

In addition to barring student-athletes from being paid a salary, NCAA bylaws prohibit an athlete receiving compensation from any form of name recognition, or using their image or likeness.¹¹ By way of example, for student-athletes majoring in exercise science, college is the perfect time to acquire experience in their field while supporting themselves by working as a personal trainer. NCAA bylaws, however, deem it impermissible for student-athletes to endorse, or allow their name and/or image to be used for the purposes of promoting an event or endorsing a commercial product. This means student-athletes are unable to advertise their services or the services of their employers. The NCAA also closely regulates how student-athletes are paid by outside employers, requiring that they are paid at a rate comparable to their skills and experience in the field.¹²

Beyond the employment restrictions and time constraints, athletes who do manage to find work—even part-time—often face difficulty finding jobs that fit with their schedules. Employers want employees with dependable schedules. The last thing an employer wants to hear is that an

employee *might* be gone for two weeks of post-season competition, but they will not know until the Thursday before a Friday shift. Also, student-athletes are not able to work the same hours as their non-athlete counterparts due to the time commitments involved in playing sports. A student athlete who might be able to work ten hours a week is not likely to obtain a job when a student with a regular schedule can work twenty-five.

Student-athletes should be paid for the time they spend in their sports. They cannot use their own name to make money, are required to meet the terms of a contract which often includes much more than twenty hours of athletic-related activity per week, and are expected to balance class, homework, and athletics with no opportunity to earn necessary outside income. In any other industry, this practice would be illegal. However, when it comes to college football or March Madness—multimillion dollar industries— it is just deemed college athletics, built on the backs of unpaid twenty-year-olds who work full time and are expected to say thank-you for the privilege.

Counterpoint: Colleges and Universities Have No Obligation to Provide Student-Athletes with Additional Compensation beyond Tuition, Room, and Board

Allowing college athletes to receive salaries for their participation on sports teams would be the demise of college athletics as we know it. Salaries would essentially take the “student” out of “student-athlete” and shift college programs to a business model where athletes are employees first, demoting the importance of academics. Not allowing salaries for athletes upholds the integrity and student accountability of intercollegiate competition.

Allowing college athletes to receive a paycheck for their talents would be fiscally unfeasible for a majority of higher education institutions. Nationwide, schools are already

struggling to support their current athletic programs. In 2015, *The Chronicle of Higher Education* and *The Huffington Post* published an article revealing that, in order to continue financing their sports programs U.S. public universities had raised \$10.3 billion over a five-year period, primarily by increasing student fees.¹³

In reality, the majority of college sports teams are not bringing in much revenue. Division I men's football and basketball teams are the main sources of income for athletic programs, and not all D-I programs turn a profit. Since it is primarily these two sports that generate any revenue for sports programs, the argument could be made that it would only be feasible to pay football and basketball players. A system in which a college basketball player is earning a much higher paycheck than a less profitable athlete in another sport, however, would ultimately lead to a sense of income inequity and would create divisions between student-athletes. Such a system could potentially undermine equality advances achieved under Title IX as women's sports bring in substantially less revenue. Overall campus cohesion could also be undermined, as regular students graduating today with unprecedented high student loan debt might begin to question their schools spending so much on athletes while charging other students high tuition.

Student-athletes do provide benefits to their campuses, society, and the sports entertainment industry, but most college athletes are far less valued within the economic market than what they self-estimate. NCAA survey researchers found that three-quarters of Division I basketball players, half of players in Division II, and one-quarter of those in Division III predict that they will be drafted into the NBA.¹⁴ The reality is that only about 1 percent of all college athletes will ever play professionally. Student-athletes benefit much more by being eligible for scholarships and stipends rather than taxable, yearly salaries. Only professional athletes are the recipients of lucrative, high-paying contracts. By comparison, minor league baseball players are

awarded a meager \$13,000 per year base salary, with minor league basketball players not earning much more.

In the vast majority of cases, college scholarships are far more valuable for young athletes than either they or the public realize. It is not unheard of for Division I athletes to be granted full-tuition scholarships, room and board, food and travel stipends, and countless extra opportunities. Student-athletes coming from low-income homes are still eligible for Pell Grants.¹⁵ Student-athletes also benefit by having unlimited access to the best facilities, top strength and fitness programs, and the use of athletic trainers and sports medicine specialists. Moreover, while being NCAA athletes, they are also allowed to accept funding from the U.S. Olympic Committee,¹⁶ which can be helpful to student-athletes in sports such as track and field and swimming, who may not be as likely to receive scholarships. Finally, a majority of student-athletes graduate college with little to no debt and a prestigious college degree in hand to aid in their career pursuits.

If colleges were mandated to pay student athletes, these schools would be much more likely to simply cut athletic programs leading to fewer collegiate teams, fewer scholarships, and fewer opportunities for student-athletes. To be sure, this logic held true when in 1972 Title IX called for equitable opportunities for women and men to participate in sports, leading to increased costs associated with ensuring equal access to equipment and practice time. Over 400 already-struggling athletic teams were eliminated due to a lack of equal funding.¹⁷

Clearly, college athletes already benefit immensely by being eligible for non-taxable scholarships (the tuition portion of scholarships is tax free, however scholarships for room and board are taxable) worth far more than student athletes' average market value. Additionally, student-athletes are rewarded with some of the best training and facilities, and are given

opportunities for exposure to professional leagues. It must be remembered that college athletes are primarily students, not employees.

ENDNOTES

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⁶ David Lariviere, "Should College Athletic Directors be Paid Bonus Money When Teams, Individuals Win Titles?" *Forbes*. 7 April 2014.

⁷ Editorial Board, "Should College Athletes be allowed to Unionize?" *Wall Street Journal*. 15 Sept. 2015.

⁸ National Collegiate Athletic Association, "Countable Athletically Related Activities," ncaa.org/sites/default/files/2017DII_online-education-resources_CARA-DOC_20170807.pdf.

⁹ National Collegiate Athletic Association, "Division I Results from the NCAA GOALS Study on the Student-Athlete Experience," 8 Nov. 2011, https://www.ncaa.org/sites/default/files/DI_GOALS_FARA_final_1.pdf.

¹⁰ Laura W. Perna, "Understanding the Working College Student," *American Association of University Professors*. July-August 2010, www.aaup.org.

¹¹ National Collegiate Athletic Association, "Summary of NCAA Eligibility Regulations, 2017-18," www.ncaa.org/sites/.../2017-18DIREC_New_Legislation_Summary_20170531.pdf.

¹² Jon Solomon, "10 ways college athletes can get paid and remain eligible for their sport," July 21, 2016, cbssport.com.

¹³ Brad Wolverton et al., Sports at Any Cost. *The Chronicle of Higher Education and The Huffington Post*, n. pag. 15 Nov. 2015.

¹⁴ National Collegiate Athletic Association, "NCAA Research: Estimated probability of competing in men's professional basketball," www.ncaa.org/about/.../research/estimated-probability-competing-college-athletics.

¹⁵ Jon Solomon, "10 ways college athletes can get paid and remain eligible for their sport," July 21, 2016, cbssports.com.

¹⁶ Ibid.

¹⁷ Jonathon Yates and Andy Schwarz, "The Great Debate over Compensation for College Athletes." *CollegeAD*, n. pag. 8 Jan. 2018.