

The Pac-12 Student-Athlete Leadership Team's (SALT) Perspective on Senate Bill 206

By: Pac-12 SALT
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As the student-athletes who will be directly affected by the future rules pertaining to name, image, and likeness, we should have our proposals considered in the ongoing discussion of Senate Bill 206. As mentioned in the statement, *We are the 100%*, by the 32 student-athletes of the Division I Student-Athlete Advisory Committee, “Our Voice Matters”.

We are in agreement that the current amateurism rules put unnecessary restrictions on various areas of professional development and entrepreneurship for student-athletes. It is imperative to initiate change that would allow more flexibility for student-athletes to use their name, image, and likeness to better prepare them for a successful future after their career in collegiate athletics. However, the current proposals for Senate Bill 206 are not centered around professional development, but rather promote a model that mimics professional sports.

It would be naive to neglect the fact that the student-athletes that will prosper off of this new model are the top 2% of elite student-athletes, mostly consisting of football and men’s basketball players. We support the monetary betterment of these top student-athletes, whose contributions are immensely notable. Yet we also care about the remaining 98% that fulfills the student-athlete community, which includes student-athletes outside the two largest revenue generating sports (football and basketball) who qualify to compete in the Olympic Games and represent their respective countries. With the potential approval of bills similar to Senate Bill 206 in multiple states, possible unintended consequences suggest that the new normal of NIL may lead to a pay for play model; in which a majority of student-athletes will receive less opportunities in comparison to what they receive now. The potential budgetary impact on universities may lead to a considerable reduction in participation of collegiate athletes as a whole. As it stands, the many resources that student-athletes currently receive, including medical support, strength coaches, athletic gear, travel, meals, access to free academic support, mental health support, access to training facilities and equipment, professional development coaching, and media/marketing promotions from the university athletics department, their conference, and the NCAA, could be diminished without an appropriate response to these state NIL bills

From the statement, *We are the 100%*, our concerns surrounding the unintended consequences of Senate Bill 206 are consistent with those of the Division I Student-Athlete Advisory Committee (SAAC). Namely, we fear the eruption of, “unfair recruiting and competitive advantages, difficulty monitoring compensation and ethics, inequitable treatment of female athletes, and exploitation of athletes by professional and commercial enterprises”. We also fear the depletion of the culture currently encompassing college athletics. There is an undeniable culture of team camaraderie that gives collegiate teams the mobility to come together and overcome odds that are seemingly impossible. This focus on the team over the individual is what captures the attention of college sports fans nationally, and is the reason that college athletes love to play at the collegiate level. This is a factor that should be considered in the NIL proposals currently being developed as it is unclear how the team dynamic may be affected, specifically within head-count sports.

Based on many of the concerns listed above, we came to the conclusion that we are most in favor of the development of a NIL Clearinghouse to usher in a new era for college sports that would include student-athletes' ability to use their NIL without concern. Through a NIL Clearinghouse, we believe that student-athletes could excel in professional development, similarly to any other student that would benefit by using their name, image, and likeness. With that being said, it is not fair to assume that every case is the same and should abide by the same rules. Therefore, each scenario should be evaluated on a case-by-case basis, allowing student-athletes to properly benefit from their name, image, and likeness while maintaining an amateur status within the collegiate model. Our recommendations pertain to the formation of a NIL clearinghouse and potential safeguards built therein:

Recommendations:

To best serve student-athletes the Pac-12 SALT Representatives recommend that the Board of Governors:

Create a Name, Image, and Likeness Clearinghouse that is independent of the university and associated, as well as, funded by the NCAA, in order to omit biases, with the following rules and regulations surrounding it:

- Student-athletes may not profit off of their name, image and likeness unless they are currently enrolled in an institution and deemed eligible by the NCAA
- Student-athletes may use their name, image and likeness to promote businesses that they are the legal founders or owners of:
 - They must be able to show proof of ownership or incorporation/foundry under their name
 - They must be required to provide a financial report per term representing the expenditures of the business as well as the profits
 - They must be able to show proof of their effort towards starting/running the business or matters related to the business (e.g., meeting notes)
- Student-athletes may not accept payment from a third party unless approved by said clearinghouse
- Student-athletes are required to put a percentage (e.g., 20%) of the profits they make off of their name, image and likeness into a trust fund from which they can access after they expend their eligibility or retire from sport
 - Exemptions may be permitted for various reasons regarding financial stress, medical issues, etc.
- Student-athletes be banned from hiring agents to represent them as it prevents the student-athlete from being able to validate their effort towards business matters in regard to their name, image and likeness
- Student-athletes be prohibited from receiving funds from boosters of their program and university, as it has the potential to circumvent the purpose of the NIL legislation under the collegiate model
 - Exemptions may apply for cases where the booster may be buying a product or service from a business owned by the athlete
- Student-athletes may use their social media accounts as a platform to use their own image, name, and likeness in order to promote / grow their own personal status
- Increase resource allocation for each university to distribute out directly to student-athletes in either larger quantities or longer period of time
 - Ex: Continuing lieu checks or monetary support during the holiday break, dead periods, and especially each perspective sport's designated off-season.

Lastly, we want to proclaim, we are not naive to the fact that bad actors do exist and, most likely will find loopholes in the system that we are proposing. As important as it is to focus on creating a system that is least likely to prevent bad actors, they cannot be the main focus when discussing what is best for the majority, as they do not represent the generality.

Moving forward, the PAC-12 SALT group is happy to assist with any future work that the Pac-12 conducts relative to NIL and that the CEO group can certainly collaborate with the SALT on any future work in that vein.