

Statement for the Record
(WRITTEN TESTIMONY)

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Hearing on: "Compensating College Athletes: Examining the Potential Impact on Athletes and Institutions"

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Chairman Alexander, Ranking Member Murray, and distinguished members of the Committee, thank you for inviting me to testify regarding the current collegiate model for student-athletes and the potential impact of Name, Image, and Likeness on that structure moving forward.

Utah State University is one of the nation's premier student-centered land-grant and space-grant universities with 17,000 students on our main campus in Logan, and nearly 11,000 on our other eight campuses around the State of Utah. We are committed to fostering the principle that academics comes first by cultivating diversity of thought and culture and by serving the public through learning, discovery, and engagement. I am fortunate to serve our great University as Vice President and Director of Athletics, a position I have held since 2015.

Athletically, Utah State is a proud member of the Mountain West Conference and competes in 16 sports at the NCAA Division I level. We consider the academic success of our 385-plus student-athletes to be our #1 priority. Our current graduation success rate (GSR) is 93%, which is #1 in the Mountain West Conference, and the current cumulative grade point average (GPA) for our student-athletes is 3.36.

In addition to winning in the classroom, our student-athletes are excelling on the various fields of play as well. Over the last five years Utah State Athletics teams have won nine Mountain West titles, including back-to-back Men's Basketball Championships in 2019 and 2020, and had Men's Cross Country, Football, Men's Basketball, and Men's Outdoor Track & Field all finish in the Top 25 in the nation during that span.

I was fortunate enough to be the beneficiary of an athletics scholarship to play basketball at The Citadel in the mid 1980s. The education, experiences, relationships, and life lessons learned in those four years have been invaluable to me over the last 30+ years. After working 10 years as a certified public accountant (CPA), including private practice, internal audit, and as a Financial Officer for a private company, I have spent the last 23 years serving in collegiate athletics administration. I made this career

change because I wanted to facilitate and provide life-changing opportunities through collegiate athletics to others just as I was fortunate to have experienced.

The landscape of collegiate athletics has changed significantly over the last 30 years, and it continues to evolve. One thing which has remained consistent, however, is that student-athletes are the core of collegiate athletics. Without student-athletes, no coach or administrator would have a job, and institutional athletics programs would not exist. My primary responsibility as an Athletics Director is to provide the necessary resources to our student-athletes so they can be successful in the classroom, as well as on the fields or courts of play, and to equip them with life skills to utilize the remainder of their life, regardless of the career path they choose.

While there is a broad variance in operating budgets for Football Bowl Subdivision (FBS) institutions in Division I (\$16 million - \$230 million), most FBS institutions provide full cost of attendance scholarships. A full athletic scholarship at Utah State covers the full cost of attendance, including tuition, fees, books, room, board, and other expenses. The cost of a full aid package for the 2020-21 academic year (Fall & Spring semester) is \$36,340 for out-of-state students and \$21,652 for a Utah resident. In addition, those student-athletes who qualify for a full Pell Grant will receive \$6,345 this academic year. Our student-athletes who live off campus receive \$11,500 in stipend checks for the academic year (Fall & Spring semester). If they attend Summer School, they receive an additional stipend. The below table provides the value of an athletic scholarship at Utah State over a five-year period (most student-athletes are on aid for five years):

	<u>IN-STATE</u>	<u>OUT-OF-STATE</u>
Full Athletic Scholarship (5 yrs)	\$108,260	\$181,700
Stipend (cash) from scholarship (5yrs)	\$57,500	\$57,500
Pell Grant (5 yrs)	\$31,725	\$31,725

The value of support our student-athletes receive goes far beyond the cost of the scholarship outlined above. Every student-athlete has an assigned academic advisor, access to individual tutors for academics, career counselors, mental health counselors, sports psychologists, nutritionists, extensive health care including team doctors, licensed trainers, physical therapists, and strength and conditioning coaches. Utah State student-athletes also receive training table meals and access to a nutritional fueling station that is open during the week for snacks and supplements. Our student-athletes also receive sport-specific instruction from an outstanding group of both head coaches and assistant coaches. These coaches also serve as mentors and provide support and guidance far beyond preparing student-athletes for competition.

The relationships that develop between college coaches and their student-athletes often last many years after a student-athlete's playing career is over. Speaking from personal experience, Les Robinson, my college coach, was very influential in my career change 10 years after I played for him. Due to the amount of time spent with their student-

athletes in formative years of maturity, coaches feel a sense of obligation to mentor their student-athletes long after their playing days are over.

I tell our graduating senior student-athletes every year that walking across the stage to receive a degree is by far the biggest victory they will experience in college. They may not believe that when it happens, but the further along in life they progress, the more they realize the truth of that statement. Once earned, that degree can never be taken away. Conversely, an athletic career can be cut short by injury or illness in the blink of an eye. I can remember several conversations with friends when I was in my mid-30s and they would be complaining about still paying off student loans, and thinking to myself how fortunate I was to get my education paid for while playing a game I love.

Often the narrative these days in collegiate athletics, especially at the FBS level, is that athletic departments are flush with cash due to the money brought in primarily by football and men's basketball. What is usually lost in that discussion is the net revenue generated by these sports is used to fund the operations of the non-revenue sports, as well as the administrative areas such as academic support, sports medicine, and media relations. At Utah State, football and men's basketball are the only sports which produce enough income to cover their operating expenses, and that does not happen every year. An important consideration in the collegiate athletics funding model is Title IX. Revenues from football and men's basketball help fund scholarships and operations for female student-athletes which are required for Title IX compliance.

It is important for us to always remember athletics is but one silo, albeit a very noticeable silo, of an institution of higher learning where education is the focus. College athletics provides a point of pride and identity for the institution, but it also provides outstanding educational opportunities for student-athletes, many of whom would not be able to afford these educational opportunities without an athletics scholarship.

In an effort to continue to address the needs of student-athletes there have been positive changes in recent years related to allowable benefits under the NCAA bylaws. The implementation of cost of attendance stipends in 2015 is one example of such progress. The most recent iteration is the introduction of Name, Image, and Likeness (NIL) opportunities for student-athletes. To this end, in April 2020, the NCAA Board of Governors directed each of the NCAA's three divisions to immediately consider updates to relevant bylaws to permit student-athletes the opportunity to benefit from the use of their name, image, and likeness. In Division I, the Legislative Solutions Working Group is on track to introduce legislative changes to the Division I Council for vote in January 2021. In the interim, the NCAA has approved waivers over the last two years allowing student-athletes to benefit from their name, image, and likeness in certain circumstances. The waiver opportunity will continue to be available to student-athletes as the NCAA membership works to modify its rules.

On the surface, the concept of allowing student-athletes the ability to profit from their name, image, or likeness as it applies to professional development and entrepreneurship, just as any other student has the ability to, makes total sense.

However, this opportunity does not need to become the path to pay for play which would erode the collegiate model.

There are some key elements to consider when examining the impact of Name, Image, and Likeness:

- **The percentage of student-athletes likely to generate significant money from NIL endorsements and sponsorships is less than 1% of all scholarship student-athletes.** Do we need to “recreate the wheel” in a system that the overwhelming majority of student-athletes do not think is broken? The Division I Student-Athlete Advisory Committee, which represents over 180,000 Division I student-athletes, spoke loud and clear about this topic in its Oct. 29, 2019 document titled “*We are the 100%*”.
- **The unintended consequences of NIL reform could be significant.**
 - The probability of unfair recruiting practices rises exponentially.
 - Monitoring compensation and ethics will be extremely difficult.
 - Direct or indirect issues with Title IX.
 - Revenues from footwear/apparel contracts, corporate sponsorship rights on campuses that benefit all student-athletes will be reduced due to deals by the footwear/apparel companies and corporate sponsors with individual student-athletes.
 - The financial challenges will likely be the most severe at limited resource institutions and historically black colleges and universities.
- **We need the United States Congress to pass legislation on NIL to provide a consistent national framework and ensure collegiate institutions and student-athletes are not forced to navigate a myriad of different state guidelines on the topic.** There are five states which have already passed NIL legislation with the Florida law set to be the first to go into effect on July 1, 2021. Thirty-one additional states have introduced legislation related to NIL. We would ask for swift, preemptive federal legislation to offset the individual state laws.
- **Recruiting guardrails for college athletics are a must.** Recruitment of prospective student-athletes has to be safeguarded by the NCAA to maintain any type of competitive balance.

We are currently navigating through unprecedented and challenging times in our country, including the COVID19 pandemic, social and political unrest, and the economic challenges associated with the aforementioned issues. As we continue to address these issues, the overwhelmingly positive impact of collegiate athletics and its structure tethered to higher education is something we must safeguard.

I realize higher education may not be for everyone, whether or not you are a student-athlete. For those athletes in sports such as baseball and hockey, which have strong minor league systems available to kids right out of high school, there are alternatives if they do not desire to go to college. We need to work with the NFL, the NBA, and the WNBA to further study possible minor league developmental systems as an option for athletes in those sports who do not want to go to college.

As we have witnessed here in the past several weeks, sports are a vital and positive component of our society. Whether it is to unite people of different backgrounds or beliefs to reach together for a common goal, or to serve as a platform for speaking out, sports are powerful. Collegiate sports, which is such a unique and positive platform in our country, need to be preserved for both this generation and generations to come.

I speak both from a personal perspective, as one whose life has been so positively impacted by the opportunity to be a collegiate student-athlete, and from a professional perspective, when I think about the countless student-athletes I have seen make the amazing and positive transformation and maturation from prospect to student-athlete to professional (in a wide array of vocations), all made possible by the education they received as a student-athlete. I speak for all of my fellow Directors of Athletics when I express our appreciation for your attention to NIL's impact on collegiate athletics going forward. We believe there is a way to provide additional income opportunities to student-athletes through NIL, while preserving the collegiate model and the student-athletes' amateur status.

Thanks to each of you for your dedicated service to our country and your interest in this important topic.