

Lacey Cheney

Mrs. Kerman

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Should College Athletes Receive Compensation?

Sports have become very popular and a big business. Football and basketball are multi-billion dollar businesses. College sports are broadcast on major television stations and have a wide viewing audience. For some colleges, their sport programs have provided them with billion-dollar television deals and team sponsors, bringing in even more money than student tuition. These schools have invested heavily in fancy training facilities with top of the line equipment, hire charter jets for travel to away games, and build astonishing professional-grade arenas. In addition to television viewing, colleges are able to fill their stadiums to capacity due to their large fan base. With the money that the colleges make from their sport teams, they should pay the players. It is true that paying Division 1 (D1) athletes is a controversial topic that has been discussed around the National Collegiate Athletic Association (NCAA) for years. Some people believe that student athletes should not be paid, especially those students that already receive a scholarship because they are already receiving a huge piece of the colleges money. Other people believe that D1 athletes should earn some income or source of payment for all of their hard work and dedication. Although there is much controversy about paying student athletes in any fashion, D1 athletes should receive extra compensation above and beyond a scholarship in order to support themselves and fund their future.

Some argue that if college athletes were to receive a salary based pay, they would have to pay taxes and other fees which would reduce the salary enough so as not to make it beneficial to the student. These people believe that after paying taxes and other added fees, D1 college athletes would be left with little money. Grace Rozembajgier, the writer of “College Athletes Already Compensated Enough” states that if a college athlete was paid \$100,000 a year, then about \$23,800 would be deducted for income tax, and another \$6,700 for state taxes, a total of \$30,500. The author also states that “with a state levy, this number raises to \$32,900 and another \$2,000 must be allocated to social security.” After all the tax expenses, “\$34,900 will be subtracted from the \$100,000 salary only leaving the athlete with \$65,100” (Rozembajgier). Some people think that receiving money through a salary would be more beneficial than scholarships. Although if a student athlete received a salary based pay instead of a scholarship, they would end up having to pay for a full college tuition. After room and board, books and supplies, food and education, the full average tuition for a D1 college is \$65,000. Rozembajgier’s math shows that after subtracting the \$65,000 for schooling, each student athlete would only be left with \$100. According to Rozembajgier, numbers don’t lie, and a \$100 net income is a scarce amount.

Many believe that if college athletes were to receive compensation, then schools would have less money for renovations, upkeep and improvements for their school and their teams. If college athletes were to receive compensation in addition to receiving a scholarship, some state that approximately 90% of profit from athletic events and tuitions would not be able to go back into the school for refurbishing as there would not be enough money after paying student athletes states Geoff. Paying student athletes in the end would just cause the sports programs to suffer.

Most DI schools have state-of-the-art facilities and multimillion dollar stadiums. Without constant renovations and improvements, state of the art facilities, proven coaches and training staff, colleges would have a difficult time recruiting the best athletes. Failure to recruit the best athletes would cause college teams to have losing seasons and risk loss of fans and revenue.

Some people might wonder where these schools are getting all this money from: “it is distributed back to the schools from the NCAA”, states Williams, the Senior Vice President of Communications for the NCAA. College football and basketball are multi billion-dollar businesses earning profit from “selling out arenas, selling merchandise, concession sales, having billion-dollar TV deals and team sponsors” (Nocera). These main sports, football and men’s basketball, provide their schools with a major source of revenue. If each athlete was given a cut of the profit, then the school would not have the money to keep their school sport teams updated with their luxury charter jets for transportation to away games, new team uniforms, or even workout equipment. Bob Williams states that this money is not just for the wellbeing of student athletes, it is also used to support their academic needs, such as being able to have the money to give to their student athletes for free tuition, room and board, and often times even medical attention. The University of Iowa Associate Athletics Communications Director, states that “football and men’s basketball are the only sports that profit and that their profit goes to help fund non-revenue sports.” Williams also joined in on the topic saying that “paying college athletes would force many schools to make tough choices on only being able to have fewer athletic teams.” Although some people believe that student athletes deserve a cut of the profit, others argue that they are already receiving more than a cut through all of their schools updated features and athletic opportunities.

Some people think that paying college athletes will turn them into “employees” and would shift their focus away from their academics. Nocera says that college coaches would have the ability to cut paid players from the team at anytime, just like in a professional sport (Nocera). With the threat of being cut and losing their income, the fear is that college athletes would not focus on studying and their school work. Instead, the athlete’s focus would be on practicing their sport and making sure they maintain their level of skill to ensure that they are not cut from the team. Although what some people don’t know is that college athletes grades must be passing in order to practice or play in their games. Academics always come first and if the player is failing their classes than they must take the time they are suppose to be practicing and focus on studying instead. If anything, paying student athletes would encourage athletes to not only practice harder but to study harder in the classroom, because if the athlete doesn’t have good grades then they cant play and if they cant play then they can’t make money.

The NCAA argues that college athletes are not professionals and, therefore, should not receive any form of compensation. Most college athletes never make “the big leagues” and should not be paid for their amature performance, not even \$20 for practicing hard today or \$50 for scoring the most points during the game. With more than 480,000 NCAA student athletes playing in college, less than 2% will become professional athletes (Williams). Allowing thousands of student athletes to play the sport they love while getting an education, most with partial to full scholarships, should be opportunity enough to prompt college athletes to perform well both athletically and academically.

Although there are many justifications for not paying college athletes, there are, alternately, just as many benefits. College athletes give hours of dedication and commitment to

their sports. Most student athletes actually pick their classes around their practice schedule. Joe Nocera did some research and found that “many college athletes put in 50 plus hours a week on their sport” (Nocera). This leaves the athletes with little to no time for school work, extracurricular activities or a job. To maintain their schedule, the college athletes struggle to find ways to make extra money. Between endless hours of practice, sometimes missing classes to participate in practices or games, taking time off for traveling to away games, and trying to squeeze in time to do school work, there is no time for a job, states Nocera. College athletes are putting in so much work for their sports teams, it is even more work than the labor force, as “an average job only requires 40 hours of work a week”, that is 10 hours more than average (Nocera). Nocera made a strong point stating that he would be hard pressed to name another industry where the labor force receives nothing. It was found that most college athletes would not have the opportunity to attend college if it were not for their athletic scholarship, which is a huge disadvantage for some students whose families don’t make a large enough income to send their child to college to further their education. Some students’ families are not in a position to assist them with college or other things that others may take for granted. Some students come from a difficult or low income family background, some parents will not or cannot afford to help their child buy a car, give them money for food or clothes, or school, or help them get an apartment after college. These students need to earn their own money to buy all of their necessities and save for the future; without a job, earning money for these things is impossible. Geoff Griffin believes that the “gap between a full scholarship and the cost of attendance should be covered by the academic institution, especially when a student athlete does not qualify for a loan.” It is also found that some college athletes have to contribute some money for their

families home bills such as rent, heat and water states Rozenbajgier. Colleges need to ensure student athletes make money or some amount of compensation to help their families and assist these athletes get off to a good start after they graduate.

It is true that receiving some type of compensation will help student athletes earn money to save for their after-college plans. According to Bob Williams, “College athletes receive up to \$2.7 billion in athletic scholarships through the NCAA each year.” With that large amount of money, most D1 college athletes are able to receive a full tuition to their college, receiving room and board, books and supplies, food, and education. Being able to provide these student athletes with scholarships in college allows these students to “leave school not burdened by a mountain of debt” (Williams). Although these students are able to leave college without student loans, by earning no money during their college career, athletes have no money to buy non-essentials during school or to fall back on when their college career ends and they start their lives outside of school. These student athletes do not have a reserve because they spent four years dedicating themselves to their football, basketball or other teams without the opportunity to have a part time job. If college athletes were to get paid, they would have the opportunity to put some money aside to prepare for their future. While the college athletes receive free room and board in college, housing will not be free in the real world. Caldwell stated that, on average, it takes up to 6 months to receive a job opportunity after college. These student athletes need to be prepared not only academically, but financially after college because they didn’t have the chance to save money with a part time job while they were attending college, they were too busy spending hours on end practicing for their sports team.

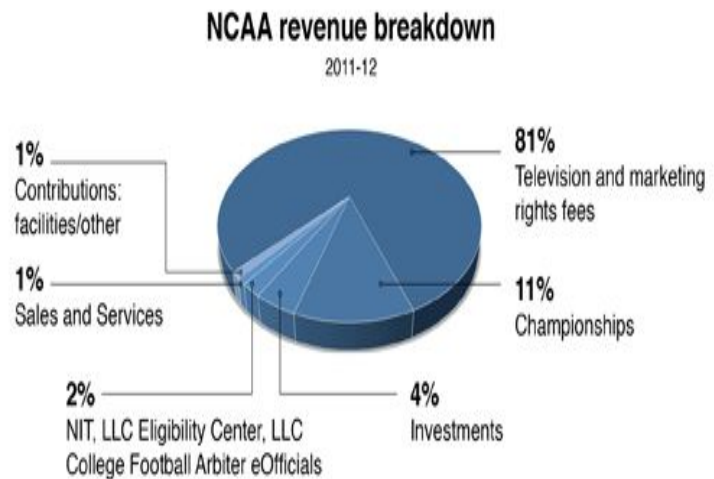
Bob Williams studies show that college athletes help their schools make millions through television advertisement, merchandise and ticket sales; the players deserve a cut of that profit. As noted earlier, Nocera reports that football and men's basketball are the sports that help their schools make the most money. The money the schools makes from these multibillion dollar businesses comes through TV deals, team sponsors, sold out arenas, merchandise and concessions, which all contribute back to the school itself, states the NCAA. Without these dedicated athletes, the revenues from TV, sponsors, merchandise, etc. for the colleges would be non-existent. Williams stated that "the profit made from these more popular sporting events goes back into helping fund other sports teams that don't make as much money" (Williams). It is true that other sports such as the swim, crew, and golf team do not make as much money as men's basketball or football. The men's basketball and football teams are the ones who help pay for these less popular sports teams' new uniforms and updated equipment since these teams make more money through ticket sales and T.V. advertisements. Although this is very helpful to the teams who don't money much profit, this is not fair. The football and basketball teams should not have to spend the money they worked hard to earn and then be forced to turn around and give it to another team. Joe Nocera shares his opinion on the topic stating that "college athletes help their schools earn millions of dollars, and they deserve a cut of the profits" (Nocera). Having these athletes work for hours on end and not being paid is similar to a business person working 50+ hours a week to help the company they work for make money, but then they do not earn any pay. Even coaches make a cut of the profit. Nocera said "the coaches for these teams make millions;" although the coaches contribute a lot of their time training these athletes, the athletes themselves are the ones earning the game win. Without the talent of these student athletes the

schools wouldn't be making money, payment should be given for their dedication, performance, and results.

It is true that if student athletes are successful at college, then future athletes will want to follow in their footsteps and go to the same school, promoting a good name for the school. Successful student athletes who move onto professional sports contribute to a colleges' successful recruitment of future athletes. When an athlete successfully transitions from the college ranks to the professional ranks, that places the college and its coaches and trainers in a favorable light for new recruits. A promising high school athletic scholar may be more apt to choose a college that has had a large number of elite players move into the professional ranks than one that has not. Professional teams may also be more apt to put focus on a 'winning school' and that schools' players. Each professional player is highlighted during televised NFL games, including mention of the players' alma mater. This introduction is free advertisement for the college and helps to perpetuate the desire of upcoming college scholars to look at the college whether that student is an athlete or a full tuition paying student. The success of a college athlete contributes to the achievement of promoting their college through each game that they play and deserve to be rewarded for use of their name and successes.

According to the NCAA Revenue pie chart to the right, there is plenty of revenue to go around. The chart displays that from 2011 to 2012, the total revenue for D1 sports was \$871.6 million, most of which came from the rights agreement with Turner/CBS Sports. Ted Turner, owner of the Turner Networks, and CBS Sports were television networks that broadcasted D1 sports games. Partnering with these major networks allowed the D1 college sport events to be viewed by a larger national audience, creating excitement and bigger fan bases for the colleges.

J Corman did some further research on this topic and found that the NCAA revenue for a single year breakdown as follows: 1% from facilities, 1% from sales and services, 2% from College Football Arbitrators, 4% from investments, 11% from



JCoram. "Revenue." *NCAA Revenue Breakdown*, NCAA.org- The Official Site of the NCAA, 22

Nov. 2013, www.ncaa.org/about/resources/finances/revenue.

championship games, and 81% from television and marketing fees. This chart proves that the student athletes are earning most of the money for the college and there is a lot of revenue that could be distributed to the hard working student athletes. Of the revenue, the 81% television and marketing fees and 11% earned from championship ticket sales, merchandise, and concession sales can be directly attributed to the success and popularity of the sports and the athletes that play them (JCorman1).

Although there is much controversy about paying student athletes in any fashion, D1 athletes should receive extra compensation above and beyond a scholarship in order to support themselves and fund their future. Student athletes dedicate four years of their young adult lives to their schools. While many receive scholarships to pay for their education-related expenses, leaving them free of student debt coming out of college, most do not leave school with savings to

get through the period while they are searching for a job and most do not go into the professional sport leagues. One argument that does not hold water is that paid D1 college athletes would gain nothing if they were to receive a salary as they would be taxed to the point of having almost nothing and it would take away funds from their schools for refurbishing and improvements to the school; nobody is taxed to the point of having no money left from their earned income. To set the student athlete for continued success as they leave college, the best option is to pay D1 college athletes a salary. The salary would benefit the students by allowing them to earn money for time worked on the field or basketball court in lieu of time spent at a part time job. This money could be used in the same way that non-athlete students use their money from part time jobs; it will allow the student athlete money for items not included in their scholarship such as housing materials like blankets and pillows, bathroom necessities, everyday clothing and shoes. It will also provide them the opportunity to have reserve funds for use after college but before they begin their career. While a school's profit would be cut, the college athletes provide much revenue for their schools; the athletes deserve a cut of the profit since they are the ones maintaining the big name of their school's sports. D1 college athletes definitely deserve compensation.

Thesis: Although there is much controversy about paying student athletes in any way, D1 athletes should receive extra compensation above and beyond a scholarship

Cons

1. Paying students salary would force them to pay taxes.
2. Less money for school renovations.
3. Unfair; how do you determine which sports and which players make the most and least amount of money
4. Extra money may be spent on drugs and alcohol that can get the student in trouble.
5. College athletes are not professionals, they should be thankful

Pros

1. No time for a part time job because of fifty plus hours of practice a week, games and school work.
2. College athletes help create a name brand for the school through TV ads, tickets sales, shoe sales, and sports clothing.
3. It has been found that some students have already started being paid illegally and then here has not been that much of any issue.
4. Scholarships are only good for 1 year and are renewed each year, but if a player gets hurt then the school cannot pay them, with no scholarship the student needs backup money.
5. Allows students to save for after college expenses such as apartments, car and food.

for the overall opportunity to play the sport they love and get an education.

6. Scholarships are already given out; therefore, more money is not needed since these students do not have to pay debt.

6. Encourages students to do their best in their every performance which can benefit their school.

7. May increase graduation rate, encouraging students to stay in school and lower the dropout rate.

8. Also encourages students behavior in a party environment, having their scholarship on the line will better the chance of students making better decisions and creating less bad media.

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