#### Written Testimony of Chase Griffin, Quarterback, UCLA Football

#### U.S. House of Representatives Committee on Energy & Commerce, Subcommittee on Innovation, Data, and Commerce.

#### "NIL Playbook: Proposal to Protect Student Athletes' Dealmaking Rights." Thursday, January 18, 2024

Good Morning, Subcommittee Chair Bilirakis, Subcommittee Ranking Member Schakowsky, Chair Rodgers, Ranking Member Pallone, and members of the Subcommittee. My name is Chase Griffin, and I am a quarterback for the UCLA Bruins. I want to thank you for the opportunity to testify today.

I was born at UCLA Medical Center Santa Monica. My family subsequently moved, and I grew up a Texan, but my dream was always to get back to UCLA and play football for the Bruins. Today, I am living my dream.

During my first two years of college, there was no NIL. But when California Governor Gavin Newsom signed the Fair Play to Pay Act, it set off a national chain of events that opened a new pathway for hundreds of thousands of athletes, like me, to pursue the American Dream.

I wasn't quite sure of my NIL prospects, but while playing for Hutto High School in the pressure cooker of Texas Friday Nights Lights, I was fortunate to win every branded player of the year award in high school football.

Although I could not be paid for my association with the Gatorade, Ford, Whataburger, and In-n-Out Player of the Year awards, I learned the value that my hard work and performance could bring to brands. As the face of my town, I also gained an appreciation for representing something larger than myself. Most college athletes share a similar journey and bring considerable personal brand equity, fan bases, and social media followings with them to college (i.e. NIL Value).

#### NIL opens a new pathway to the American Dream for College Athletes

I have been blessed to enter over 40 NIL deals with companies based in a dozen states. There is enough harmony among state NIL laws for me to seamlessly operate across the country.. My approach to NIL has been officially recognized, winning national NIL athlete of the year awards from the NIL Summit and Opendorse. I also started The Athlete's Bureau Newsletter to help other athletes maximize their NIL opportunities and amplify college athlete perspectives.

In my supplemental materials, I have submitted poll results of college athletes conducted by The Athlete's Bureau in conjunction with The Generation Lab. Like me, most college athletes use their NIL earnings for saving, investing, and building a solid financial foundation. For most of us, NIL is not Lamborghini money, but it could mean a down payment on our first homes.

#### Most college athletes are wired for hard work, and we embrace it

In nearly every Power 5 athletics department there are hundreds of millions of dollars at stake. Power 5 Football, in particular, funds almost every other sport in the athletics department, and athletic directors, coaches, and players feel that pressure every day. That is why, on a typical day, I wake up at 6 AM for meetings and film reviews. Around 9 AM, we hit the field for intense practices. Post practice, we lift weights as a team before heading straight to class and after class we return to the facilities again for afternoon meetings and evening walk-through practices. All day, every day, we put our whole mind, body, and spirit into our sport. I want this committee and the American public to know that we don't begrudge the hard work. We embrace it. We are built

for it, and I am living my dream. I'm sure Rep. Duncan can relate from his playing days at Clemson.

In addition to working hard in athletics, most athletes work just as hard on academics. I was able to complete my undergraduate degree from the Luskin School of Public Affairs in two years, earn a M.Ed in Transformative Coaching and Leadership, from the School of Education and Information Sciences last spring , and am currently enrolled in the Master's in Legal Studies program at UCLA Law. I am trying to maximize my time at the most applied to and #1 public school in America. I love being a college student, but it should also be acknowledged that we are value creators too and I just want the same unfettered economic rights and freedoms enjoyed by every other college student - especially those that create value for their schools.

### The FAIR College Sports Act creates a new politically appointed bureaucracy and unprecedented regulatory obstacles for college students.

It is disheartening to see a federal bill that ignores our hard work and the value we create by putting obstacles in our pathway to the American Dream. In this bill, there are over 200 negative references to college athlete NIL with words like "regulate," "prohibit," "sanction," "restrict," and "inducement," but it never mentions freedom, growth, innovation, or Title IX.

NIL has gotten a bad rap in federal policy-making circles because some believe that it is a nefarious "Pay to Play" scheme. But I ask the committee to consider this: Right now, colleges compete for talented computer science and engineering students, offering scholarships, stipends, state-of-the-art labs, and large research grants to attract talented students to their schools. In fact, this Congress invests nearly \$100 billion a year in university research, and when intellectual property is created and commercialized, those student researchers share in the royalties. No one

would ever say they were lured by "Pay for Research." In every other aspect of American life, the expectation is that if you work hard, play by the rules, and create value, you DESERVE to share in that value. Why shouldn't this core American principle be true for college athletes?

# The FAIR College Sports Act imposes an entirely new set of regulations for advertisers and small businesses ('third parties'') that work with college athletes

In a recent interview I conducted with Craig Brommers, Chief Marketing Officer of American Eagle, he said his company invests in college athlete NIL because it "drives business results." This bill doesn't just regulate athlete deals with collectives and agents, but it actually creates obstacles for what everyone considers to be "True NIL" - - Commercial NIL deals with major advertisers and small businesses labeled as "third parties" in this bill.

According to a report from Opendorse, over 80% of NIL transactions are with major advertisers and small businesses. The innovative market for commercial NIL grew by 220% last year. This year, it is trending even higher. This bill contains registration fees, monthly reporting requirements, and the threat of FTC sanctions to large third-party advertisers like JP Morgan Chase, General Motors, State Farm Coca-Cola, McDonald's, Amazon, Microsoft and the thousands of mom-and-pop small businesses (i.e. college town restaurants and retail outlets) that currently do NIL deals with college athletes. In the supplemental materials, I have highlighted a small sample of the businesses negatively impacted in each of the subcommittee member districts.

This bill increases the cost of doing business with college athletes and will kill the growth of the NIL market because we all know that regulation is the enemy of innovation. Advertisers may decide just to hire other students on campus (where there is no regulation) since the regulatory and administrative cost of doing business with college athletes would become too high under this bill.

#### The FAIR College Sports Act is especially harmful to women's sports college athletes.

Some of my favorite memories at UCLA are seeing Nia Dennis, Katelyn Ohashi, Margzetta Frazier, and Jordan Chiles perform viral gymnastics routines in Pauley Pavillion. I have also personally worked with them on NIL campaigns. While men's football and basketball have collectives, 91% of women's sports compensation comes from major advertisers and small businesses. So, this bill's regulatory requirements will hurt them the most.

When I think about Coach Inouye-Perez inviting me to throw out the ceremonial first pitch for our 13x national champion softball team or how Coach Close and our nationally-ranked Women's Basketball team are growing the program with ground-breaking team-wide NIL deals -I feel compelled to speak up.

I recommend members of the committee talk to UCLA legend Ann Meyers Drysdale about becoming the first woman to get a full-ride athletic D1 scholarship in the NCAA and how proud she is of how women like Caitlin Clark and Angel Reese are using NIL to grow their sports. I'm sure Rep. Trahan, as a former college athlete, shares Ann's sense of pride.

#### No Other Industry's Brand Endorsers are Subject to regulations like those in this Bill

As a result of NIL, I have been blessed to work with Range Sports at Range Media Partners. The firm works with some of the biggest talent in Hollywood, music, and sports. Almost every talent on the roster has ground-breaking brand partnerships. None of them are subject to the regulatory hurdles this bill would impose on college athletes.

This bill simply codifies an outdated NCAA business model that Supreme Court Justice Kavanaugh wrote, "...would be flatly illegal in almost any other industry in America." If enacted, this bill would deprive another generation of college athletes a proven and growing pathway to the American Dream.

#### Actions I would like for Congress to Consider:

College athletes are doing our job by working hard, competing, and putting an exciting product on the field and court, resulting in a record year for TV ratings and gargantuan multibillion media contracts. I implore this committee to consider the widespread support that college athlete NIL and compensation enjoys across the American body politic. I submitted this support in my supplemental materials, but several are worth highlighting here:

- States are of one accord: Governors Newsom in California, Whitmer in Michigan,
  DeSantis in Florida, and over 30 other states have all signed permissive NIL laws that were passed unanimously by state legislatures.
- The Supreme Court is unanimous: A normally divided Supreme Court was unanimous in its support for more compensation for college athletes in the Alston decision.
- Attorney Generals are working in concert: Red and Blue State attorney generals have found common ground in fighting for college athletes' economic freedom and NIL rights.
- The American Public is in lock-step with athletes. A Sportico-Harris poll finds that over 74% of Americans support college athlete NIL, and 67% even support direct athlete compensation from their schools.

- Coaches are becoming more vocal: I encourage this committee to listen to the growing contingent of coaches who are calling for more direct athlete compensation, including newly crowned National Champion Michigan Head Coach Jim Harbaugh and my head Coach Chip Kelly.
- The White House has endorsed athletes receiving a fair share of the revenue we generate.

#### **Other Concrete Actions Congress Could Take**

- Commission a Congressional Research Service study on the financial impact of the hundreds of major brands and tens of thousands of small businesses that are partnering with college athletes on NIL to drive business results.
- Congress should give the NIL market time to grow and innovate before moving forward with any legislation.
- Congress should encourage the NCAA and its membership to prove it can govern and modernize itself and:
  - Adopt and enact Gov. Baker's athlete compensation proposal
  - Allow college athletes and our colleges to work together to create mutually beneficial NIL relationships
  - Broaden its outreach to include student athletes in Power 5 conference revenuegenerating sports and those with broad and deep experience with NIL deals

If, after the NCAA enacts those proposals, Congress still feels the need to pass legislation, I support the consideration of the College Athlete Economic Freedom Act sponsored by Rep. Lori Trahan and Senator Chris Murphy.

#### **Conclusion:**

Mr. Chairman, college athletes work hard, play by the rules, and create billions of dollars in value. Every day, we are earning a share of the enormous value we create. Overall, I am very optimistic because, throughout my journey, I have found that people really want to see college athletes win, not just on game day, but in life. And I hope you will keep these sentiments top of mind as you deliberate.

#### Thank you.

#### **Summary of Key Points**

- Most college athletes bring considerable personal brand equity, fan bases, and social media followings with them to college (e.g. NIL Value).
- Unfettered NIL opens a new pathway to the American Dream for College Athletes
- Most college athletes are wired for hard work, and we embrace It
- This FAIR College Sports Act creates a new politically-appointed bureaucracy and unprecedented regulatory obstacles for college athletes
- The FAIR College Sports Act imposes an entirely new set of regulations for advertisers and small businesses ('third parties'') that work with college athletes
- The FAIR College Sports Act is especially harmful for women's sports athletes who benefit the most from commercial NIL
- No Other Industry's Brand Endorsers are Subject to regulations like those in the FAIR College Sports Act

• Granting the NCAA an antitrust exemption, state preemption, and codifying non-

employee status for college athletes is unwarranted and not necessary to implement

Governor Baker's athlete compensation and NIL proposals

- What I would like for Congress to Consider:
  - Commission a Congressional Research Service study of the financial impact of NIL on major advertisers and small businesses who work with college athlete NIL
  - Factor in the widespread American support for college athlete NIL and compensation
  - Encourage the NCAA and its membership to prove it can govern and modernize itself before crafting any legislation
  - Give the new and innovative NIL market time to grow and innovate before moving forward with any legislation
  - Consider the College Athlete and Economic Freedom Act sponsored by Rep. Lori Trahan and Senator Chris Murphy.

## **Supplemental Materials**

## Chase Griffin BIO + NIL Deal Portfolio

QB, UCLA Football; Publisher, The Athlete's Bureau Newsletter; Athlete Creator in Residence Range Sports; Student Executive in Residence, UWG (WPP)

Chase Griffin, quarterback at UCLA, is a nationally recognized leader in the college Name Image Likeness (NIL) and athlete empowerment movement. He is a two-time winner of National NIL Athlete of the Year Awards and has been dubbed by Bloomberg as "The Undisputed King of College Endorsement Deals", the Los Angeles Times as "UCLA's Magnetic Marketer" and "Name Image Likeness Superstar" by ESPN. Chase is a Brand Ambassador for JP Morgan Chase, United States Marine Corp., American Eagle Outfitters, Degree (Unilever), Postmates (Uber), Shell, LegalZoom, Champs Sports, United States Polo Association, Lucchese Boots, and over 30 other major brands.

In addition to being 1-0 as the starting quarterback in the iconic Rose Bowl Stadium, he is inspired by the rich tradition and legacy of the pioneering UCLA athletes who have come before him and is using his NIL for Good. To date, through his foundation, he has personally donated over \$45,000 to the Los Angeles Regional Food Bank and other charities. He is a long-time member of the PAC-12 Conference Student Athlete Leadership Team and the UCLA Student-Athlete Leadership and Bruin Athletic Councils.

Professionally, Chase Is the Athlete-Creator in Residence at Range Sports (Range Media Partners); Publisher, The Athlete's Bureau Newsletter; Student-Executive in Residence at UWG (WPP), and a Toigo Foundation Fellow.

Chase is a Born Bruin. He was born in the UCLA-Santa Monica Hospital, earned a B.A. in Public Affairs, M. Ed. in Transformative Coaching & Leadership, and will soon complete a Masters in Legal Studies at UCLA Law. He is the recipient of the national Arthur Ashe Jr. Football Scholar of the Year Award, True Bruin Medal, Chancellor's Service Award, Bruin Leadership Award, on the Dean's Honors Lists, and on the Pac-12 Academic Honor Roll. In high school he was on the National Football Foundation Team of Distinction, a Pro Football Hall of Fame HS All-American and the consensus Texas High School Player of the Year winning all four major awards (Gatorade, Built Ford Tough, Whataburger, and In-n-Out).





#### The FAIR College Sports Act creates a new and burdensome set of regulations for *hundreds of major brands and thousands of small businesses that sponsor college athlete NIL ("Third Parties").*

Below is an <u>Illustrative</u> list of impacted major advertisers from the states of Subcommittee members.

	State	Subcommittee Member	Major College Athlete NIL Advertiser/Sponsors Impacted ("Third Party"); Illustrative List
1	Arizona	Rep. Lesko	Petsmart, Sprouts, U-Haul
2	Delaware	Rep. Blunt Rochester	Over 60% of major companies are headquartered in Delaware + college town small businesses that sponsor athletes
3	Florida	Rep. Bilirakis (Chair); Rep. Cammack, Rep. Soto, Rep. Dunn, Rep. Castor	Fanatics, Foot Locker (Champs Sports), Publix, Checkers, Rally's, Outback Steakhouse, Popeyes, Subway, The BrandR Group
4	Georgia	Rep. Allen	Coca Cola, Delta, Home Depot, Collegiate Licensing Company
5	ldaho	Rep. Fulcher	Ridley's Family Markets + college town small businesses that sponsor athletes
6	Illinois	Rep. Schakowsky (Ranking Member), Rep. Kelly	State Farm, McDonald's, Walgreens, United Airlines, Allstate, Motorola
7	Indiana	Rep. Bucshon, Rep. Pence	Eli Lilly + college town small businesses that sponsor athletes
8	Massachusetts	Rep. Trahan	Reebok, New Balance. Gillette, Dunkin'. Bose
9	Michigan	Rep. Walberg (Vice Chair), Rep. Dingell,	GM, Ford, StockX, Michigan Army National Guard
10	New Jersey	Rep. Pallone	Unilever USA, Campbell's Soup, Jersey Mike's
11	New York	Rep. Clarke	JP Morgan Chase, Verizon, IBM, MetLife
12	North Dakota	Rep. Armstrong	NDSU Bookstore, Shoot 360 Fargo
13	South Carolina	Rep. Duncan	Denny's, Everett Sports Marketing, United Bank,
14	Tennessee	Rep. Harshbarger	Fedex, Nissan North America, Logan's Roadhouse
15	Washington	Rep. McMorris Rodgers (Chair)	Amazon, Microsoft, T-Mobile

Chase Griffin, Written Testimony Supplemental Materials













# Methodology

This snapshot poll was conducted from November 1 - December 11, 2023 through an online survey delivered via email and text messages to college athletes across the country. We were able to confirm the recipients status as current college athletes through their registration with public profiles on free NIL marketplaces and other public sources. The results were tabulated by The Generation Lab with the questions being formulated and additional analysis provided by The Athlete's Bureau.

#### Objectives of the TAB College Athlete Poll:

- Ask the right questions about policy issues affecting college athletes
- Amplify the perspectives of college athletes in as close to real-time as possible
- Assemble a college athlete sample across sports, divisions, conferences, and genders that can be scaled over time to later be extrapolated across the entire universe of college athletes

#### About The Athlete's Bureau

Published by two-time NIL Athlete of the Year, Chase Griffin (UCLA QB), The Athlete's Bureau (TAB) is a values-driven business platform for college athletes and those that care about them. TAB has three main components: 1) TAB newsletter, a home for award-winning student journalists, 2) TAB Podcasts and Interviews, and 3) TAB College Athlete Polling and Research service. https://www.athletesbureau.com

#### About The Generation Lab

The Generation Lab is a data intelligence company, studying young people and the trends that shape the future. We translate youth views and behavior for media, academia, businesses, government, and the American public. Whether through a oneday snapshot poll, or a multi-year longitudinal study, we pursue youth truth for our clients and the American public. https://www.generationlab.org



THE ATHLETE'S BUREAU

Criese Grillin, Written Testimony Suppremental Materials





Almost 92% of Women's spe come from brands - (aka "T	
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Any regulation that impacts advertiser (brand hurts women disproportionately.	ds) and small business investment in NIL
So, if most women's sports student-athletes aren't earni coming from?	ing NIL money from Collectives, then where is it
WOMEN ONLY	FANS DONORS BRANDS
SHARE OF COMPENSATION BY BUYER SEGMEN	NT
19.7%	79.3%
0.7%	
SHARE OF DEALS BY BUYER SEGMENT	
4.9%	91.7%
4.5% 3.3%	
I all and the Research	
Let's examine the Buyer Segment.	FANS ODONORS BRAND
SHARE OF COMPENSATION BY BUYER SEGME	NT
49.5%	49.8%
0.7%	
SHARE OF DEALS BY BUYER SEGMENT	
8.5% 4.9%	86.7%
4.770	
Source: Cashing In: Women and NIL Success (Opendorse Rep	oort, 2023)
	THE ATHLETE'