

NCAA v. Alston

Civics is all around us. The United States Supreme Court is the highest court in the land. Through its power of judicial review, its decisions have a lasting impact on "We the People". So what is the Court hearing this session and how might the justices rule? Let's help each other expand our civic literacy.

The Case of the Amateur Athletes

The Facts of National Collegiate Athletic Association v. Alston:

This case focuses on federal antitrust law, which prohibits actions that restrict competition in a free marketplace.

In 2014, football and basketball players from Division I schools filed a lawsuit against the National Collegiate Athletic Association (NCAA). In that lawsuit, the players argued that the NCAA's eligibility rules violated federal antitrust law because they restricted how much players may earn as a result of the work they do when on the football field or basketball court.

NCAA_®

Under existing NCAA rules, "pay is the receipt of funds, awards or benefits not permitted by the governing legislation of the Association for participation in athletics," and under this "amateur rule," "an individual loses amateur status and thus shall not be eligible for intercollegiate competition in a particular sport if the individual uses his or her athletics skill (directly or indirectly) for pay in any form in that sport." So, the question is, do these rules violate federal antitrust laws?

According to the federal District Court of the Northern District of California, the answer is both yes and no. In its ruling, the district court found that the NCAA's restrictions on "education related benefits...like computers, science equipment, musical instruments, post-graduate scholarships, tutoring, study abroad, academic awards, and internships," did violate antitrust law,



and could not be restricted. However, the district court also found that the NCAA's prohibition on "pay for play" did not violate antitrust law, and that the NCAA could continue to restrict cash or in-kind payments to its athletes. The NCAA appealed, and the U.S. Court of Appeals for the Ninth Circuit upheld the district court ruling.

The NCAA appealed again, this time to the U.S. Supreme Court, which granted certiorari on December 16, 2020. The NCAA is asking the Court to decide "whether the Ninth Circuit erroneously held, in conflict with decisions of other circuits and general antitrust principles, that the National Collegiate Athletic Association eligibility rules regarding compensation of

student-athletes violate federal antitrust law." The justices heard oral arguments on March 31, 2021.

Supreme Court Precedents Used In This Case:

National Collegiate Athletic Association v. Board of Regents of the University of Oklahoma (1984): The Court ruled that the
NCAA's plan for limiting televised college football games violated the Sherman Antitrust Act because it was attempting to
artificially increase the cost of game day tickets by restricting television access. The Court reasoned that, since the NCAA has
complete control over this market, a form of monopoly existed, which violates the Sherman Antitrust Act. However, the Court also
said that when it comes to NCAA student athletes, the rules that limit eligibility to students who are not paid to play "are justifiable
means of fostering competition among amateur athletic teams and therefore [promotes competition in the marketplace]." This
means that these rules are evaluated less strictly (rule of reason) under antitrust law, so that both the harmful and beneficial effects
of the rules are taken into account.

Federal Statute in Question in This Case:

• Sherman Antitrust Act, Section 1 (1890): "Every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several States, or with foreign nations, is declared to be illegal."

<u>To Think and To Do</u>: During oral argument the justices expressed some skepticism towards the NCAA's amateurism argument. Two are summarized here. Based on these statements and U.S. Supreme Court precedent, how do you think the justices will rule?



Justice Alito: NCAA programs make billions of dollars, and give huge salaries to coaches? But the players get very little and most don't end up making any money in professional sports. Many are 'used up and cast aside' without a college degree. How can this be defended in the name of amateurism?



Justice Kagan: The way student athletes are treated has changed significantly in 100 years. And the history of NCAA amateur athletics isn't as impactful to me as the organizations trying to limit their athletes and fix prices.

View the full oral argument transcript.

Learn MORE about this case:

Amy Howe's Case Preview from SCOTUS Blog; Brief for the Petitioner, The National Collegiate Athletic Association; and Brief for the Respondent, Shawn Alston, et al.



