

College Athletes Release Model CBA Framework – What Could This Mean For Universities?

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With most of the country's focus on who was snubbed by the College Football Playoff Selection Committee, college athletics reached another inflection point on Monday with the release of Athletes.org's first-ever draft Collective Bargaining Agreement (CBA) framework. This document is designed to replace the current NIL-driven compensation model with a standardized, enforceable structure modeled on professional sports CBAs. While far from a final agreement, it's the most detailed blueprint yet for what some players want a collectively bargained future to look like across NCAA Division I athletics. What do colleges and universities need to know about this step?

Where Things Stand: Labor Organizing and Legal Pressure Are Reshaping College Athletics

Over the last four years, momentum toward formal labor and employment rights for college athletes has accelerated dramatically.

NLRB Developments

For the moment, the National Labor Relations Board is the least likely source of any concerns for college athletics. Not only does it presently <u>lack a quorum</u> to legally act, the Presidential administration is decidedly opposed to granting student athletes "employee" status. Indeed, the 2021 NLRB General Counsel memo declaring student athletes to be employees was rescinded in February, and efforts pre-dating the Trump administration to <u>unionize Dartmouth basketball</u> <u>players</u> and claiming athletes at the <u>University of Southern California</u> were employees were both voluntarily dismissed by player-advocates even before the new administration started.

The Johnson Litigation

In July 2024, the 3rd Circuit Court of Appeals <u>ruled in Johnson v. NCAA</u> that <u>Division I student-athletes are not categorically barred from bringing claims</u> under the Fair Labor Standards Act (FLSA). Instead, the court held that athletes "may be employees" when they perform services for their school (or the NCAA) primarily for the institution's benefit, under the school's control (or right of control), and in return for compensation or other benefits. This decision rejected the long-standing defense that the traditional concept of "amateurism" automatically excludes student-athletes from employee status. *Johnson* is now on remand in the District Court which is considering

another round of motions to dismiss. It remains one of the most significant employment-law threats to the traditional collegiate model.

The House Settlement

<u>The House settlement</u>, while monumental in providing a revenue-sharing mechanism to student athletes, does not resolve long-term legal exposure. Judge Wilken expressly acknowledged that the agreement does <u>not</u> carry the protections of the non-statutory labor exemption because it is not collectively bargained. Athletes.org echoed this point in its own amicus briefing, emphasizing that without a CBA, universities remain vulnerable to antitrust claims, compensation-related challenges, and future litigation over inconsistent athlete treatment.

Inside the CBA Proposal: Key Components of the Athletes.org Framework

<u>Athletes.org</u> is a newly formed players association seeking to organize college athletes and position itself as the negotiating representative in any future restructuring of college sports. While still early in its development and lacking formal recognition, it claims to represent more than 5,000 student athletes and is actively pushing for a collective bargaining model that would shift many operational and financial decisions away from institutions.

For campus leaders, the framework serves as an early signal of the issues that could arise if collective bargaining becomes part of the collegiate athletics landscape. The 38-page <u>draft CBA framework</u> is ambitious and built consciously on the architecture of professional sports CBAs. Its stated goal is to provide "a sustainable, enforceable structure for college athletics" that consolidates athlete compensation, standardizes contractual terms, and reduces litigation risk.

Five components stand out:

1. A Standardized Athlete Services Contract

The proposal centers on replacing the current NIL-service hybrid model with a single, mutually negotiated athlete services agreement. This would:

- Consolidate revenue-share payments into a single income stream tied to athletic services.
- Establish national minimum terms across compensation, benefits, grievance procedures, and health/safety protections.
- Reduce the current patchwork of school-specific contracts and conflicting state laws.

2. Revenue Share Caps and Spending Floors

Mirroring professional sports, the CBA introduces conference-specific revenue percentages and mandatory spending floors. Elements include:

- A revenue-share cap and minimum per-sport spending requirements tied to pro rata conference revenue.
- An obligation that institutions spend at least 89% of their annual athlete compensation budget across a rolling four-year period, with penalties for noncompliance.
- Transparency requirements and annual financial reporting.

3. Health, Wellness, and Safety Standards

The draft includes provisions far more expansive than current NCAA rules:

- Required post-eligibility medical coverage for at least five years.
- Independent second medical opinions at no cost to athletes.
- A formal Injured Reserve designation preserving compensation and pausing eligibility clocks.
- Uniform practice-time, travel, concussion, and training standards, all subject to negotiation.

4. Free Agency, Transfer Portal Rules, and Retention Incentives

The proposal explicitly frames the transfer portal as a form of "free agency" and calls for:

- Negotiated portal windows, tampering rules, and enforcement mechanisms.
- A "Veterans Performance Incentive Pool" providing bonuses for athletes who remain at their institution for more than two years to promote roster stability.

5. Licensing, NIL, and Agent Regulation

Athletes.org proposes a structure modeled on pro players' associations:

- Athletes.org would control group licensing rights and negotiate royalty rates
- Agents would need certification, similar to NFLPA/NBPA systems.
- NIL deals would remain uncapped but subject to anti-circumvention protections.

What's Next?

Despite the level of detail in the Athletes.org proposal, the path from conceptual framework to an operational CBA in college athletics is highly uncertain. Major legal, structural, and political hurdles remain unresolved, including whether student athletes will ever be deemed "employees," what entity (if any) could lawfully bargain on behalf of public universities, and how a multi-state system with conflicting labor laws could function.

In several of the largest college-athletics states, public-sector collective bargaining by student-athletes is either not addressed or unlawful, raising immediate questions about who could

participate and whether a national agreement is even possible without Congressional intervention. At the same time, no entity currently exists that could represent all universities in negotiations, and institutions face antitrust constraints that limit their ability to collaborate on compensation rules absent a true labor exemption. Even if those barriers were addressed, the political climate provides little indication that consensus legislation is on the horizon.

For now, the CBA framework should be viewed not as an imminent model but as a marker of the kinds of pressures and expectations that may shape future debates. Institutions should continue monitoring litigation, regulatory activity, and conference-level developments to understand how quickly the landscape may shift.

Conclusion

Make sure you are subscribed to <u>Fisher Phillips' Insight System</u> to get the most up-to-date information direct to your inbox. Should you have any questions on the implications of these developments and how they may impact your operations, please do not hesitate to contact your Fisher Phillips attorney, the <u>author</u> of this Insight, or any member of our <u>Sports Industry</u> <u>Group</u> or <u>Higher Education Team</u> for additional guidance.

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