



The Daily Dish

Putting the College Back in College Sports

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It's tempting to live in the fantasy world where sport has nothing to do with money or markets. But FIFA's ([Fédération Internationale de Football Association](#)) awesome capacity to extract cash from the globe (including the invention of "hydration breaks") brought Eakinomics back to reality. This was helped along by [The PCSA Fumbles the Competition](#) by Fred Ashton and Grace Faughnan. (PCSA stands for the Protect College Sports Act of 2026, a bipartisan piece of legislation by Senators Cantwell and Cruz.)

Does the world need a PCSA? At least to Eakinomics' eye, the *status quo* is unsustainable. As the authors document, over the past decade, there have been numerous decisions that found the National Collegiate Athletic Association (NCAA) in violation of antitrust law with the result that the NCAA permitted college athletes to retain their eligibility while monetizing their NIL ("name, image, and likeness") rights. This was not exactly a moment of kindness; the 27 states that had enacted legislation prohibiting universities from denying athletes this right forced its hand. On top of that:

...the U.S. District Court for the Northern District of California approved a settlement in the House v. NCAA class action lawsuit allowing former college athletes who did not have the opportunity to profit from NIL to collect damages. The NCAA and five other defendants - the Southeastern Conference, Big Ten, Atlantic Coast Conference, Big 12, and Pac-12 conferences - were ordered to pay almost \$2.8 billion in back damages. They were also required to permit Division I schools to pay their athletes up to \$20.5 million from athletic revenues, increasing incrementally over the 10-year settlement period. The College Sports Commission, formed by the five conferences, will implement the settlement.

The result is that there are now unlimited transfers among schools, open bidding for athletes, and an erosion (elimination?) of the line between college and professional athletics. If there is going to be something special about college athletics - and that is in question - something has to change.

Congress recognizes this and members have launched a series of unsuccessful attempts at legislating a fix. The PCSA is the latest. It would codify a student-athlete's ability to earn compensation from NIL activities, set a national standard for student-athletes seeking to transfer institutions, establishes eligibility standards limited to a maximum of five calendar years, and put in place a revenue-sharing cap. It also provides the NCAA, the College Sports Commission (CSC), the conferences, and institutions with a narrow antitrust exemption to develop and enforce rules governing NIL activity, revenue-sharing, transfers, eligibility, and recruiting. Finally, it permits collective media rights negotiations; it amends and extends the antitrust exemption in the Sports Broadcasting Act of 1961 to intercollegiate athletics.

That's a lot, and it's not all good. As the authors put it:

The legislation would restore much of the NCAA and CSC's governing authority - which had been diminished amid antitrust litigation - that trades market competition for regulatory stability, likely limiting the compensation and mobility of players and coaches, dampening innovation, and raising prices for consumers.

The *status quo* is untenable, but just going back in time is not the solution either.