



## **FOLLOW-UP NOTES AND Q&As**

### **Webinar #53 - Title IX Under Fire**

#### **House v. NCAA: College Athletes Speak Out on House Settlement with Attorney Leigh Ernst Friestedt**

##### *The Drake Group Education Fund Webinar Series Critical Issues in College Athletics*

*Thanks for attending or registering for our January 22, 2026, webinar on critical issues in intercollegiate athletics. A regular feature of our webinar series is “Follow-Up Notes” which provides links to the recorded webinar, answers to questions from the audience that panelists did not have the time to address, or those emailed to us from telephone participants as well as information on our next webinar. Questions may be slightly revised to be more generic or to combine similar questions.*

### **1. Webinar #53 RECORDING**

---

In case you missed any part of the January 22, 2026, webinar, you may access the recorded video here:

#### **Title IX Under Fire:**

#### **House v. NCAA: College Athletes Speak Out on House Settlement with Attorney Leigh Ernst Friestedt**

**[ACCESS RECORDING HERE](#)**

### **2. RECOMMENDED GENERAL RESOURCES**

---

- The Drake Group. (2025) Computation of Title IX Compliance under the Terms of the *House v. NCAA* Settlement. Retrieve from: <https://www.thedrakegroup.org/wp-content/uploads/2025/07/FINAL-Congressional-Briefing-Paper-Settlement-Title-IX-Compliance-Computation.pdf>

- The Drake Group. “Congressional Briefing Paper and Recommendations Preliminary Assessment: Title IX and Other Implications of the Proposed Settlement of House v. NCAA, Hubbard v. NCAA, and Carter v. NCAA on Intercollegiate Athletics Programs”. Retrieve from: <https://www.thedrakegroup.org/wp-content/uploads/2024/07/JULY-14-FINAL-Corrected-Briefing-Paper-Proposed-Settlement.pdf>
- Lopiano, Donna, Ramsey, Kassandra, Statham-Taylor, Amelia, and Zimbalist, Andrew. (2025) “The Drake Group Report: An Analysis of Objections to the Proposed Settlement of House v. NCAA, Hubbard v. NCAA and Carter v. NCAA”, March 24, 2025. Retrieve from: <https://www.thedrakegroup.org/wp-content/uploads/2025/03/REPORT-FINAL-3-24-25.pdf>
- The Drake Group. “Why is the Department of Education Office for Civil Rights Failing to Help Colleges and Universities Resolve the Current Name/Image/Likeness Chaos?” Retrieve from: <https://www.thedrakegroup.org/wp-content/uploads/2023/08/Aug.-5-The-Drake-Group-to-OCR-Letter-RE-NILs-2023.pdf>
- Lopiano, Donna., Zimbalist, Andrew., Sommer, Julie, and Hughes, David C. (2024) The Drake Group Position Statement: Title IX Athletics: Solving the Problem of Lack of Enforcement by the Department of Education Office for Civil Rights. (August, 2024). Retrieve at: <https://www.thedrakegroup.org/wp-content/uploads/2024/08/FINAL-TDG-Response-to-2024-GAO-REPORT.pdf>

### 3. UNADDRESSED QUESTIONS FROM WEBINAR ATTENDEES

---

*Note: Questions not addressed by the panelists are answered by Drake member experts and are not represented as the views and opinions of the panelists.*

**Q1: I am a trustee at a major Power-5 university. Even at our level, we have a spending problem in football & men’s basketball. A number of us have begun talking to trustees/regents at other schools about protecting Title IX & men’s sports too & we share your concerns. What are 1 or 2 key elements that we need to address & get our administrations to understand? Should we also be demanding that our schools provide education to our student-athletes so they know their rights re: House?**

**A1:** Here are two basic elements to raise with administrations to protect intercollegiate athletics:

#### **1. Federal Civil Rights Law – Title IX:**

The most important point is that Title IX of the Education Amendments Act of 1972 is a federal civil rights law. Like other civil rights protections in this country – such as Title VI, which prohibits race discrimination – Title IX is a Constitutional obligation tied to the Spending Clause (not a direct constitutional mandate itself, but rather a "contractual" condition imposed on educational institutions that choose to accept federal funding?). When a university accepts federal financial assistance, it agrees to comply with federal civil rights laws, including Title IX.

Title IX was enacted to prohibit sex-based discrimination in education. While universities are not required to offer athletics, once they choose to do so, they assume an affirmative legal duty to comply with Title IX. If they fail to meet that obligation, they risk the federal government withholding federal funds.

The greatest theoretical enforcement mechanism is the loss of federal funding for institutions that do not comply. Although this has never been imposed, the lack of accountability is precisely why an estimated 93% of Division I athletics programs remain out of compliance. In practice, enforcement typically occurs only when female college athletes sue their university – a process that can take years. A board of Trustees or the administration of an institution should review the institution’s Title IX report every year to ensure it remains in compliance.

## **2. Fiscal Responsibility and Mission of the University**

Every Board of Trustees should be asking the fundamental question, “**What is the role of athletics within the educational mission of our institution?**” That answer should guide spending decisions including whether athletics programs should operate to support both revenue and non-revenue sports. Without a mission-aligned framework, athletics budgets – particularly in football and men’s basketball – can grow in ways that undermine both Title IX compliance and the long/short-term sustainability of all men’s and women’s sports. Further, there is an obligation on the part of 501(c)(3) institutions to refrain from lavish expenditures which should apply to coaches’ salaries and exit provisions, or inequitable and lavish expenditures on certain athletes. The public is rightfully critical when expenditures on coaches’ salaries and benefits are three to four times greater than expenditures on scholarships, long and short athletic injury insurance and expenses, and the provision of adequate numbers of academic support staff, certified athletics trainers, and licensed mental health professionals. Trustees and campus administrators should ensure a balance of these dual commitments.

### **Q2: Are the athletes losing their sports team also losing their academic scholarship as well?**

**A2:** When a school drops a sport program, they often maintain their athletic scholarship commitment to the athlete through graduation. However, the school is not obligated to renew the scholarship. Students who have earned academic (not athletic) scholarships, would not lose an academic award with the elimination of their sports program. Academic scholarships are based on grades and test scores and are not affected by the *House* settlement. However, for many athletes who have academic scholarships, they will lose the ability to participate and compete at the institution where they have earned an academic scholarship where programs and roster spots have been eliminated. Therefore, if they wish to compete in their sport(s) at the collegiate level, they would have to transfer to another institution, thereby forfeiting that academic scholarship, and find another institution where they would be able to participate. Also, many institutions award academic scholarships based on achievement from the athletic department; therefore, those academic scholarships could also be lost.

The *House v. NCAA* settlement has introduced a significant amount of anxiety for college athletes, particularly those in "non-revenue" or Olympic sports. College athletes who have been cut due to House settlement roster cuts as well as eliminated programs, have indeed left institutions where they earned academic scholarships because they strongly desired to participate at the collegiate athletic level, or they've given up participating in their sport in college all together and remained at their institution.

**Q3: Do the panelists have an opinion about reforming EADA reporting requirements to mandate transparency on how institutions are providing "athlete revenue-sharing" payments to college athletes disaggregated by team and gender?**

**A3:** In the current landscape of collegiate sports, there is a growing consensus among legal experts and athlete advocates—including Attorney Leigh Ernst Friestedt—that the Equity in Athletics Disclosure Act (EADA) requires urgent reform to ensure transparency in the new era of athlete revenue-sharing.

### **Why Reform is Being Advocated**

The push to mandate transparency through disaggregated reporting (by team and gender) stems from three primary concerns:

#### **1. Title IX Compliance and Gender Equity**

Current EADA reports track coaching salaries, recruiting expenses, and total revenues, but they do not specifically mandate the disclosure of direct revenue-sharing payments, NIL payments, or other non-educationally tethered payments which should all be included as "Other Financial Aid" under the EADA. Without disaggregated data, it is nearly impossible for the public or the Department of Education to verify if institutions are distributing these funds equitably.

- **The Risk:** Preliminary models suggest that up to 90% of back-pay and future revenue-sharing could go to football and men's basketball.
- **The Solution:** Mandating transparency ensures that schools cannot "hide" gender-based funding disparities in aggregate totals.

#### **2. Accountability in the "House" Settlement Era**

The *House v. NCAA* settlement allows schools to share up to 22% of average athletic revenue (roughly \$20.5 million annually per school) starting in the 2025–2026 academic year.

- **Attorney Friestedt's Position:** She and other advocates argue that because these payments are fundamentally changing the "educational" nature of athletics, they must be reported with the same rigor as scholarships to prevent the exploitation of athletes in non-revenue sports.

### 3. Preventing "Pay-for-Play" Shadow Markets

By requiring transparency on how much each team receives, reformers aim to bring "dark money" (often funneled through third-party NIL collectives) into the light. If these payments are brought under the EADA umbrella, they become part of a public record that helps:

- Prospective college athletes make informed decisions.
- Researchers track the economic impact on Olympic and women's sports.
- Regulators ensure that "revenue-sharing" isn't used as a workaround to avoid fair market value for certain athletes.

#### Current Status of Reporting

Currently, the College Sports Commission (CSC) uses the College Athlete Payment System (CAPS) to track these payments internally. However, reformers argue that internal NCAA tracking is not a substitute for federal EADA reporting, which provides public and Congressional oversight.

**Note:** While the Biden-era Department of Education issued guidance suggesting Title IX requires "substantially proportionate" revenue sharing, this remains a point of significant legal and political contention as we move through 2026.

**Q4: Have any non-revenue generating U.S. Olympic Team Organizations (e.g. Swimming) focused on the House Settlement & university cutting of non-revenue generating sports?**

**A5:** Non-revenue U.S. Olympic sports organizations (e.g., swimming, track) are concerned as the *House v. NCAA* settlement threatens to eliminate teams via roster caps and budget cuts. At least 41 Division I programs were cut by mid-2025, including swimming programs at Cal Poly where Scott Iannaccone was a member. Cal Poly cut its program despite supporters, organized under the group "Save Cal Poly Swim & Dive," ultimately reached nearly \$9 million in donations to save the program.

The United States Olympic & Paralympic Committee (USOPC) have publicly supported the "Saving College Sports" Presidential Executive Order (2025). The USOPC expressed strong support for the July 2025 Executive Order, which aims to protect and expand scholarships and roster spots for women's and non-revenue sports. Advocating for the SCORE Act: The USOPC supported the Student-Athlete Collegiate Opportunity and Resource Enhancement (SCORE) Act. This legislation aims to provide antitrust protection for the NCAA to manage NIL, maintain national standards, and preserve the "student-athlete" model. However, by supporting the SCORE Act, the USOPC has agreed to a plan to keep minimum sports sponsorships at 14 and 16—effectively making the "floor" of minimum sport sponsorships at pre-settlement levels at institutions the new "ceiling". It's predicted many programs across many schools would be cut to simply maintain this minimum number.

**Q8: Can roster limits be flexed at schools year-to-year? In other words, can a men's lacrosse team be at 48 one year and 45 the next year? (the women's lacrosse limit is 38)**

**A8:** Yes, if the university has opted in, they are required to be capped at the maximum number of athletes for the new roster limits for that team—they can go under but not over the cap.

**Q9: Where are the deep-pocketed alumni when schools start cutting sports to plug budget holes? Student-athletes like Scott Iannaccone (webinar panelist) did everything right—and they're the ones paying the price.**

**A9:** It's a heartbreaking situation, and your frustration is valid. It feels like a massive breach of the "educational contract" when athletes like Scott—who have poured years of sweat into their programs—become the collateral damage for a settlement they didn't cause. The *House v. NCAA* settlement is a seismic shift. By allowing schools to pay roughly \$20 million annually directly to athletes, the "amateurism" model has effectively been replaced by a professionalized revenue-sharing model. So, why aren't the wealthy alumni swooping in to save the day? Here is the reality of where that money is going and why "saving sports" isn't as simple as it used to be. In short, the *House v. NCAA* settlement has turned college sports into a "pro-league" model where the money is being funneled toward the players who generate the most cash.

Here is why wealthy alumni aren't "saving" the smaller sports:

- **The NIL Shift and Rise of Collectives:** Donors are no longer giving to general athletic funds. In the past, a "deep-pocketed alum" would donate to the athletic department to build a new weight room or fund a scholarship endowment. Today, that same donor is likely being pressured to give to an NIL Collective. They are pouring their money into NIL Collectives to buy top-tier football and men's basketball talent to stay competitive.
- **The \$20M Gap:** Schools now face a massive annual bill (roughly \$20 million) to pay athletes directly. Most departments are "cutting the tail to save the dog"—slashing non-revenue sports to protect the football and basketball programs that keep the lights on.
- **Title IX Restrictions:** Even if an alum offers to fund a men's team, schools often can't keep it without also funding a women's team to maintain legal gender equity. This doubles the cost, making "private bailouts" for single sports nearly impossible.

Essentially, alumni are still spending—they're just spending on star players instead of program survival. The House settlement requires schools to pay back **\$2.8 billion in back-pay** over 10 years. This isn't a one-time "ask"; it's a massive, recurring line item. Most athletic departments (outside of the top 10–15 wealthiest) already run at a deficit. When forced to find \$20 million a year for revenue sharing, ADs are looking at "non-revenue" sports as the only place to cut costs, since football and basketball are the engines that provide the money in the first place. Athletes like Scott are caught in a "pro-sports" transition without "pro-sports" protections. While the stars in football and basketball are getting raises, the "Olympic sports" are being treated as overhead that needs to be trimmed. The alumni are still there, but their checkbooks are now being directed toward winning games, not necessarily preserving opportunities.

**Q10: Is College/University Revenue-Generating Income from men's football and basketball "UBIT"(unrelated business income tax) revenue of tax-exempt organizations that is taxable?**

**A10: What is UBIT?** Unrelated Business Income Tax (UBIT) is a tax the IRS imposes on the income of tax-exempt organizations (like universities) when that income comes from a trade or business that is not substantially related to the organization's exempt purpose.

For an activity to be subject to UBIT, it must meet three criteria:

1. It is a trade or business.
2. It is regularly carried on.
3. It is not substantially related to the organization's exempt (educational) purpose.

### **Current Status: Is College Football/Basketball Revenue Taxable?**

Historically, the answer has been no. Under current law and IRS interpretation, intercollegiate athletics are considered "substantially related" to the educational mission of a university. The IRS views these programs as part of the student experience and a method of exhibiting the university's values and identity to the public.

- **Ticket Sales & Broadcast Rights:** Revenue from admissions and the sale of television/radio rights has traditionally been exempt because the IRS considers these activities as contributing to the "educational" goal of the institution.
- **Enforcement:** You are correct that the IRS has not enforced UBIT rules against the core revenues of men's football and basketball. They are essentially treated as an extension of the classroom.

Senator Maria Cantwell (D-WA) has recently disrupted this status quo. In November 2025, she sent a formal letter to the Joint Committee on Taxation (JCT) asking for a comprehensive review of the tax-exempt status of college athletics.

### **Key Points of Cantwell's Inquiry:**

- **"Rethink the Regime":** She argues that given the massive growth in revenue, \$10 million coaching salaries, and private equity interest, college sports now look more like commercial business enterprises than educational activities.
- **The Private Equity Threat:** Cantwell specifically warned Big Ten presidents that selling stakes in athletic revenue to private equity firms could jeopardize the "tax-exempt purpose" of university assets.
- **UBIT Expansion:** Her letter specifically asks the JCT to analyze the implications of subjecting college athletic revenues to UBIT, potentially ending the decades-old "educational" protection for these multi-billion-dollar programs.
- **NIL Collectives:** She also touched on whether Congress should codify rules for (NIL) collectives, which the IRS has already begun to rule are *not* tax-exempt.

While intercollegiate athletic revenue remains largely untaxed today, Senator Cantwell's push signals a major legislative effort to treat "Big Time" college sports as the commercial businesses they have become, which would make their profits subject to UBIT.

#### **4. OUR NEXT WEBINAR**

---

**Thursday, February 19, 2026 – 2:00pm-3:30 p.m. EST**

**Webinar #54 –**

**The Litigation Portal: Retention, Recruitment, and the Law**

*You will receive a notice when the registration area opens.*

Moving beyond "Wild West" clichés, this webinar examines the shift in collegiate athletics toward a litigious landscape governed by contract law and revenue-sharing. As we head into 2026, legal and industry experts will dissect the rise of "tortious interference" lawsuits between universities, as well as the unprecedented legal battles between institutions and their own athletes over contract enforcement. By analyzing the tension between an athlete's freedom of movement and the need for educational stability, this session identifies the systemic risks facing institutions that must now balance aggressive athletic recruitment with their core educational mission and the long-term success of their students.

#### **5. ACCESS RECORDINGS OF PREVIOUS WEBINARS**

---

[CLICK HERE](#) to see the table of contents of The Drake Group Education Fund Video Library for recordings of all 49 previous webinars including the full proceedings of the 2022, 2023, 2024, and 2025 Allen Sack National Symposia.

#### **6. QUESTIONS ABOUT THE DRAKE GROUP EDUCATION FUND**

---

**The Drake Group Education Fund (TDGEF)** is the 3-year-old 501(c)(3) national non-profit education sister organization of The Drake Group (TDG) whose mission is to ensure that the promise of college athletics is realized for all stakeholders. TDGEF produces *The Allen Sack National Symposium on Integrity in College Sports* and the *Critical Issues in College Sports Webinar Series*, conducts fact-based research on intercollegiate athletics and develops position papers and other educational materials that influence public discourse on current issues and controversies in college sport. To access a full library of print and video educational materials on current issues in intercollegiate athletes, visit [www.thedrakegroupeducationfund.org](http://www.thedrakegroupeducationfund.org). All

educational materials are available free of charge. If you believe The Drake Group Education Fund is doing good work, please also consider making a tax-deductible donation to support our webinars, educational research, and programs. You can donate to support what we do [HERE](#).

**The Drake Group** (TDG), a sister organization to TDGEF, was founded in 1999, and is a 501(c)(4) non-profit organization whose mission is to educate policymakers and advance legislative initiatives that foster academic integrity and athlete well-being in intercollegiate athletics. For the most current information on The Drake Group and college athletics-related bills being considered by Congress, visit TDG [HERE](#). TDG needs volunteers to contact their senators and representatives to advance collegiate athletics reform legislation. Learn about legislation and [VOLUNTEER/JOIN HERE](#).

## 7. THANKS TO OUR WEBINAR #53 PANELISTS



**LEIGH ERNST FRIESTEDT, Moderator**, Leigh Ernst Friestedt is the Founder of Equity IX, LLC, a boutique law firm that specializes in Title IX, women’s sports and education. As a former student-athlete at Brown University, Leigh is uniquely qualified to advise universities, student-athletes and coaches on legal matters surrounding Title IX, gender equity and name, image and likeness matters. Prior to forming Equity IX, Leigh was a Mergers & Acquisitions investment banker on Wall Street at Lazard, Donaldson Lufkin & Jenrette (DLJ) and GE Capital. Leigh has over twelve years of M&A experience advising global companies across all sectors with a specialty in media.



**BROOKE BAKER**, Brooke Baker is a Division I women’s lacrosse player at Vanderbilt University, where she is completing a Master of Legal Studies in the Law School while holding a Master of Science in Marketing and a Master of Education from Vanderbilt. A national champion and All-AAC student-athlete, Brooke has consistently balanced elite athletic performance with academic excellence. She has earned recognition on multiple Academic Honor Rolls, including conference and national distinctions for scholar-athletes. Originally from Raleigh, North Carolina, she also holds a Bachelor’s degree from UNC–Chapel Hill, graduating with distinction. Her collegiate experience reflects a strong commitment to leadership, academic excellence, and top-tier competition.



**Gracelyn Laudermilch**, Gracelyn Laudermilch is a freshman Division I Track & Field and Cross Country athlete from Rome, Pennsylvania. Since January 2025, she has been a formal objector to the House v. NCAA settlement agreement and is currently a pro se appellant before the U.S. Court of Appeals for the Ninth Circuit. Gracelyn has publicly raised concerns about the settlement's implications for collegiate athletes, voicing her objections at both the final approval hearing and the fairness hearing. She is committed to advocating for integrity, accountability, and fairness in college athletics. Guided by the biblical principles of Micah 6:8, to act justly, love mercy, and walk humbly, Gracelyn approaches both her athletic career and her advocacy with conviction, discipline, and purpose.



**Lexi Drumm**, Lexi Drumm is a former Division I women's soccer player and team captain at the College of Charleston. She graduated with a B.S. in Business Administration, earning distinction as Valedictorian of the Honors College and receiving multiple conference academic honors. She is currently a first-year law student at Northwestern Pritzker School of Law. Lexi's involvement with the House settlement grew out of her academic and professional engagement with Title IX. Through internships and her undergraduate thesis, *Unsettled: How Education on Title IX Shapes Female Athletes' Views of the NCAA Settlement*, Lexi became deeply involved in advocating for a continued commitment to Title IX to ensure equal access to the privileges of collegiate athletics and the opportunities that flow from them.



**Scott Iannaccone**, Scott Iannaccone was a Division I swimmer at California Polytechnic State University where he is studying Computer Engineering. In his last season, he finished in the top five in the 100-yard backstroke at the 2025 Big West Conference Championships and earned one of the top five fastest times in Cal Poly history. He also achieved the Spring Quarter Dean's List in 2025. Swimming has always been a part of Scott's life, and he comes from a family of swimmers. His older brother, Ryan, swam at Cal Poly for four years, and his twin sister, Stephanie, currently competes on the Harvard University swim team.