Remembering the Lessons of the Baseball Exemption in *NCAA v. Alston*

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REMEMBERING THE LESSONS OF THE BASEBALL EXEMPTION IN NCAA v. ALSTON

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Introduction

It is somewhat ironic that the recently-granted Supreme Court appeal in National Collegiate Athletic Association (NCAA) v. Alston1 falls so near the 100-year anniversary of Federal Baseball v. National League,2 a well-debated opinion by the Supreme Court that gave a particular sports league—and, for decades only that sports league—broad immunity from the antitrust laws. In doing so, the Court set up the field of sports antitrust law in a way that would position professional baseball apart from the other leagues to a degree that the Court would later remark is “unrealistic, inconsistent, or illogical.”3 Indeed, even a sitting member of the Court has remarked on the baseball exemption’s controversial nature, noting that Federal Baseball has been “pilloried pretty consistently in the legal literature since at least the 1940s.”4

That sitting member of the Court, Justice Alito, did agree with commentary that Federal Baseball was mostly correct for its time; indeed he deemed a scholarly assessment of Federal Baseball’s criticism as “principally for things that were not in the opinion, but later added by Toolson and Flood,” to be “accurate.”5 As Justice Alito mentioned, the Supreme Court had “at least two opportunities to overrule the Federal Baseball case” and did so both times “over withering dissents.”6 Thus while Federal Baseball may not deserve its notorious reputation, decisions by the Court to continue to affirm the baseball exemption—especially while completely undercutting Federal Baseball’s legal underpinnings in Flood—are certainly fair game for questioning.7

While the Alston Petitioners (the NCAA and member conferences) have strategically refused to frame it this way, this Supreme Court now—99 years after Federal Baseball—once again faces a question about whether to grant a request by a sports league for an antitrust exemption.8 But unlike in Toolson and Flood, the doctrinal history

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1 No. 20-512 (2021). This litigation has been combined with a separate appeal by the NCAA’s member conferences. See Am. Athletic Assoc. v. Alston, 20-520 (2021). Both cases appeal In re NCAA Grant-in-Aid Cap Antitrust Litigation (Alston v. NCAA), 958 F.3d 1239 (9th Cir. 2020).


6 Alito, supra note 4, at 192.

7 See Flood, 407 U.S. at 282-84 (overruling Federal Baseball’s finding that professional baseball is not interstate commerce but keeping in place baseball’s corresponding antitrust exemption on the grounds of stare decisis and “a recognition and an acceptance of baseball’s unique characteristics and needs”).

8 Alston, 958 F.3d 1239.
underpinning this case presents little basis for an argument of binding *stare decisis* based on past court decisions, as the language Petitioners continuously point to as what compels the courts to grant them “ample latitude” under the antitrust laws is merely dicta. After all—as the Ninth Circuit found—while the Supreme Court “certainly discussed the NCAA’s amateurism rules at great length” in *Board of Regents*, “it did not do so in order to pass upon the rules’ merits, given that they were not before the Court.”

The Court should hold firm to its decades of precedent strongly disfavoring implicit, court-made antitrust exemptions. The Supreme Court has repeatedly noted a “heavy presumption against implicit exemptions” to the Sherman Act. Such powers should be reserved to Congress, who has thus far declined to grant the Petitioners that deference despite repeated opportunities to do so. In fact, such opportunities have only increased in recent years—with at least three separate public Senate hearings since July 1, 2020—with no signed bill or reported consensus.

At the heart of the Court’s justification for affirming the baseball exemption in *Toolson* was that “Congress . . . had [Federal Baseball] under consideration but has not seen fit to bring such business under these laws by legislation having prospective effect.” If that statement is true, its corollary must also be true: that since Congress has had plenty of opportunities to consider the Petitioners’ requests for antitrust immunity but “has not seen fit” to grant that request through legislation, this Court should cede to Congress’s inaction.

This Essay takes no position on whether the Ninth Circuit decision should be affirmed or overruled. Instead, the position argued herein is that regardless of the Court’s conclusion in this case, the NCAA’s underlying assertions that they are entitled to antitrust immunity for amateurism-related activities based on the precedent of *Board of Regents* should be rejected. As argued, *Board of Regents* provides no *stare decisis* on this point, and any approach by this Court that grants such antitrust immunity fails to consider the powerful lessons of the Court-enacted baseball antitrust exemption.

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9 See NCAA v. Board of Regents, 468 U.S. 85, 120A (1984). See also O’Bannon v. NCAA, 802 F.3d 1049, 1063 (9th Cir. 2015) (finding that “[t]he Court’s long encomium to amateurism [in *Board of Regents*], though impressive-sounding, was therefore dicta”).
10 *O’Bannon*, 802 F.3d at 1063.
13 *Toolson*, 346 U.S. at 357.
14 *Id.*
I. The Alston Litigation

Alston involves a challenge to the NCAA’s implementation of caps on grant-in-aid—education-related benefits afforded by member institutions to athletes that play the so-called NCAA ‘revenue sports: Division I football and basketball. After an extensive bench trial, Judge Claudia Wilken of the Northern District Court of California found that the NCAA had violated antitrust law by imposing limits on education-related compensation, specifically finding—based on Rule of Reason analysis—that “an alternative compensation scheme” allowing limits on “compensation and benefits unrelated to education” while still “generally prohibit[ing] the NCAA from limiting education-related benefits” would be “virtually as effective as the challenged rules in achieving the only procompetitive effect” shown by the NCAA defendants: the preservation of explicitly amateur intercollegiate sports. Judge Wilken also issued an injunction to that effect.

Hearing a challenge to those findings and the corresponding injunction on appeal, the Ninth Circuit affirmed, finding that Judge Wilken properly applied the Rule of Reason in analyzing the anticompetitive effects of the NCAA’s compensation practices against their alleged procompetitive benefits. The Ninth Circuit found that Judge Wilken’s injunction distinguishing between education-related benefits and other benefits not related to compensation was proper, holding that education-related benefits “are easily distinguishable from professional salaries, as they are ‘connect[ed] to education’; ‘their value is inherently limited to their actual costs’; and ‘they can be provided in kind, not in cash.’” As such, the panel upheld Judge Wilken’s Solomon-like compromise in reliance on stage three of the Rule of Reason test, where the delineation between education-related benefits and outside compensation was presented as a reasonable alternative between upholding the NCAA’s limits on compensation and revoking them entirely.

Judge Wilken and the Ninth Circuit’s holdings were notable, not just for their finding that NCAA rules imposed for the preservation of amateurism could be found to have violated antitrust law, but also because their insistence on using the Rule of Reason presented a marked distinction with other circuits’ handling of NCAA rules under the antitrust laws. Indeed, the NCAA argued extensively in their petition for certiorari that the Ninth Circuit had—with both Alston and its similar holding in 2015’s O’Bannon v. NCAA—created a circuit split between themselves and the Seventh Circuit, which had

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15 See Alston v. NCAA, 958 F.3d 1239, 1244-46 (9th Cir. 2020).
18 Alston, 958 F.3d at 1244.
19 Id. at 1260 (quoting In re NCAA Athletic Grant-in-Aid Cap Antitrust Litigation, 375 F. Supp. 3d at 1102).
20 Id.
21 O’Bannon v. NCAA, 802 F.3d 1049 (9th Cir. 2015).
articulated its role in arbitrating the legality of NCAA rules in a very different way on two recent occasions.\(^\text{22}\)

II. There is No Existing Basis Under Board of Regents or Other Supreme Court Precedent to Grant the NCAA a Broad, Threshold-Level Exemption from the Antitrust Laws

At issue is the circuits’ interpretation of the Supreme Court’s only other case applying antitrust law to NCAA activities: *NCAA v. Board of Regents*, a 1984 decision finding the NCAA liable for restricting the television broadcast rights of its member institutions.\(^\text{23}\)

For the past thirty-six years, lower courts have wrestled with how to interpret the Court’s language in this case, specifically the portions of Justice John Paul Stevens’s majority opinion that discuss the NCAA’s eligibility rules concerning the amateur status of college athletes.\(^\text{24}\) In his conclusion, Justice Stevens wrote that the NCAA “plays a critical role in the maintenance of a revered tradition of amateurism in college sports.”\(^\text{25}\) As such, Justice Stevens wrote, there is “no question but that” the NCAA “needs ample latitude to play that role” in order to “preserve a tradition that might otherwise die.”\(^\text{26}\)

It is in that call for “ample latitude” where courts have struggled with formulating an exact proportional response under the *Board of Regents* precedent. As frequently discussed by the NCAA and its conferences in briefs, the Seventh Circuit has cited this language to find that NCAA bylaws that “fit into the same mold” as eligibility rules” and “clearly protect[] amateurism” require a finding by a court “to deem such rules procompetitive,” as “they define what it means to be an amateur or a student-athlete, and are therefore essential to the very existence of the product of college football.”\(^\text{27}\)

The Seventh Circuit’s broad interpretation of *Board of Regents* as having compelled courts to give wide-ranging deference for NCAA amateurism activities can also be

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\(^{22}\) Petition for Writ of Certiorari at 19-23, NCAA v. Alston, No. 20-512 (2020); see *Agnew v. NCAA*, 683 F.3d 328 (7th Cir. 2012); *Deppe v. NCAA*, 893 F.3d 498 (7th Cir. 2018). This author noted in a certiorari-stage *amicus* brief that the circuit split at issue is actually a *three-tiered* circuit split. Brief for Professor Sam C. Ehrlich as Amicus Curiae, *NCAA & Am. Athletic Conf. v. Alston*, Nos. 20-512, 20-520, 2020 WL 6802302 (Nov. 13, 2020); see also Sam C. Ehrlich, *A Three-Tiered Circuit Split: Why the Supreme Court Was Right to Hear Alston v. NCAA*, J. LEGAL ASPECTS SPORT (forthcoming 2021). The third prong of the split comes from the Third and Sixth Circuit, which have found that NCAA rules in furtherance of amateurism are non- or “anti-commercial” due to their role of taking money out of college sports, leaving them outside the Sherman Act’s purview entirely. *Bassett v. NCAA*, 528 F. 3d 426, 433 (6th Cir. 2008); see also *Marshall v. ESPN Inc.*, 111 F. Supp. 3d 815, 834 (M.D. Tenn. 2015), *aff’d*, 668 Fed. Appx. 155 (6th Cir. 2016) (rejecting the Seventh Circuit’s approach in *Agnew* for the commercial/noncommercial distinction espoused by *Bassett*.) Notably, the Ninth Circuit in *O’Bannon* thought *Bassett*’s reasoning was “simply wrong.” 802 F.3d at 1066.


\(^{24}\) *Id.* at 120A.

\(^{25}\) *Id.*

\(^{26}\) *Id.*

\(^{27}\) *Agnew v. NCAA*, 683 F.3d 328, 343 (7th Cir. 2012).
shown through its spread to other areas of law. For example, the Seventh Circuit recently cited Board of Regents to hold that college athletes cannot be subject to federal wage and hour law, as, in their view, the “revered tradition of amateurism in college sports” cited by Justice Stevens “defines the economic reality of the relationship between student athletes and their schools.” As such, the Seventh Circuit found that the standard multifactor tests for employment status “fail to capture the true nature of the relationship’ between student athletes and their schools” and thus found that relationship to not represent an employment relationship.

Conversely, in the underlying case to Alston the Ninth Circuit properly affirmed the district court’s use of the Rule of Reason test to determine the legality of the disputed NCAA bylaws. Rather than relying on Board of Regents to grant wide immunity to the Petitioners activities—as the Seventh Circuit has prescribed—the Ninth Circuit gave due deference to the preservation of amateurism in college sports by allowing it as a procompetitive purpose at the second step of Rule of Reason analysis before affirming the district court’s fact-based finding that the bylaws at issue were more restrictive than necessary to preserve amateurism in college sports. This is precisely how the Rule of Reason should operate, and—barring a Congressionally-mandated antitrust exemption—exactly how deference to the preservation of amateurism should be afforded under Board of Regents when analyzing NCAA activities under the antitrust laws.

Instead of granting the Petitioners a threshold-level exemption from antitrust law the Ninth Circuit accurately placed the question of what comprises “ample latitude” into the Rule of Reason test, allowing the Petitioners to argue the merits of its preservation of “amateurism,’ which, in turn, ‘widen[s] consumer choice’ by maintaining a distinction between college and professional sports” as a procompetitive rationale that may—or may not—outweigh its activities in restraint of trade. This allows courts to consider whether these rules are “patently and inexplicably stricter than is necessary to accomplish all of its procompetitive objectives.”

There can be no question that the Ninth Circuit’s approach is the only correct interpretation of the breadth of the “ample latitude” that must be provided to NCAA activities and at what stage of antitrust litigation that “ample latitude” must be considered. Justice Stevens and the rest of the Board of Regents majority, after all, did not explicitly state that this “ample latitude” must be in the form of a wholesale, threshold-level exemption from the antitrust laws, or any other law at that. Such questions were not even before the Court in Board of Regents.

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28 Berger v. NCAA, 843 F.3d 285, 291 (7th Cir. 2016).
29 Id. (quoting Vanskike v. Peters, 974 F.2d 806, 809 (7th Cir. 1992)).
30 See Alston v. NCAA, 958 F.3d 1239, 1254-55 (9th Cir. 2020).
31 Alston, 958 F.3d at 1260.
32 Id. at 1257. See also O’Bannon v. NCAA, 802 F.3d 1049, 1058-59 (9th Cir. 2015) (discussing the merits of preservation of amateurism as a procompetitive purpose to its restraints of trade at the second step of the Rule of Reason test).
33 O’Bannon, 802 F.3d at 1075. See also Alston, 958 F.3d at 1260.
Indeed, the NCAA rules that were before the Court in Board of Regents—output restrictions on college football television broadcasts—were found to have "restricted rather than enhanced the place of intercollegiate athletics."34 While Justice Stevens did write of rules that "are justifiable means of fostering competition among amateur athletic teams and therefore procompetitive," no language by the Court in Board of Regents explicitly stated that those rules should be fully above the law.35 The Third Circuit noted this essential point in Smith v. NCAA, as they stated that "no court of appeals expressly has addressed the issue of whether antitrust laws apply to the NCAA’s promulgation of eligibility rules."36 Given that Smith was decided fourteen years after Board of Regents, one can reasonably assume that the Third Circuit knew of the Supreme Court’s call for "ample latitude" in Board of Regents and did not read “ample latitude” as representing a wholesale exemption from antitrust law.

Supporting this much more limited reading of Board of Regents is entirely consistent with this Court’s long-standing disfavor of implicit, court-made exemptions to the antitrust laws.37 A wholesale “procompetitive presumption”—as formulated by the Seventh Circuit in Agnew v. NCAA38 and applied in Deppe v. NCAA39—is too close to a blanket exemption from the Sherman Act to be warranted under the law. By contrast, the Ninth Circuit’s approach in this litigation, which places the onus on the Petitioners to prove that their alleged procompetitive rationales—including the defense and maintenance of amateurism—outweigh the clear anticompetitive effects of the Petitioners’ price fixing schemes, is the approach that should be adopted moving forward.

III. Granting Antitrust Immunity to the NCAA Would Repeat the Same Mistakes of Federal Baseball v. National League

Regardless of what one might think of the Supreme Court’s creation of the baseball antitrust exemption in Federal Baseball v. National League,40 it is undisputed that

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35 Id.
36 Smith v. NCAA, 139 F.3d 180, 185 (3d Cir. 1998).
37 See, e.g., Goldfarb v. Va. State Bar, 421 U.S. 773, 777 (1975) ("[O]ur cases have repeatedly established that there is a heavy presumption against implicit exemptions [to § 1 of the Sherman Act]"); FPC, 369 U.S. at 485 ("Immunity from the antitrust laws is not lightly implied.") While the Supreme Court held in American Needle v. NFL, 560 U.S. 183 (2010), that “teams that need to cooperate are not trapped by antitrust law” as their shared interests “provide[] perfectly sensible justification for making a host of collective decisions,” that holding was clear that Rule of Reason analysis is still required to weigh that justification against its anticompetitive costs, even if that analysis “can sometimes be applied in the twinkling of an eye.” Id. at 202-04 (quoting Board of Regents, 468 U.S. at 110). Instead, the Alston Petitioners seek a ruling—based on the Seventh Circuit’s holdings in Agnew, 683 F.3d at 341-42, and Deppe, 893 F.3d at 501-02—that all restrictions of the college athlete labor market in furtherance of amateurism are presumptively procompetitive, thus automatically outweighing any alleged anticompetitive harm put before the court. This request is not consistent with American Needle.
38 Agnew v. NCAA, 683 F.3d 328, 341-42 (7th Cir. 2012).
39 Deppe v. NCAA, 893 F.3d 498, 501-02 (7th Cir. 2018).
numerous judges—including those currently sitting on the Supreme Court—have bemoaned its existence. The Second Circuit famously referred to *Federal Baseball* as “not one of Mr. Justice Holmes’ happiest days” while deeming the rationale of *Toolson’s* affirmand of *Federal Baseball* to be “extremely dubious.”\(^{41}\) Even while affirming the baseball exemption in *Flood v. Kuhn*, the Supreme Court called the baseball exemption “an exception and an anomaly” and an “aberration.”\(^{42}\) Writing in dissent, Justice Douglas called the baseball exemption “a derelict in the stream of the law that we, its creator, should remove.”\(^{43}\) In fact, the Supreme Court wrote in an earlier case (which declined to extend the baseball exemption to professional football) that “were we considering the question of baseball for the first time upon a clean slate we would have no doubts” that the sport should not receive the protection given to them in *Federal Baseball*.\(^{44}\)

In the years following *Federal Baseball*, the Supreme Court has steadfastly refused to extend baseball’s antitrust immunity to other sports.\(^{45}\) As noted above, the Third Circuit found fourteen years after *Board of Regents* that no court—including this one—had “addressed the issue of whether antitrust laws apply to the NCAA’s promulgation of eligibility rules.”\(^{46}\)

But should *Alston* be found in favor of the Petitioners in a manner similar to the “procompetitive presumption” for amateurism rules as the Seventh Circuit has now twice espoused\(^{47}\)—or, even worse, by declaring NCAA amateurism restrictions to be non- or even “anti-commercial” as the Sixth Circuit did in *Bassett v. NCAA*\(^{48}\)—the mistakes of *Federal Baseball* would be repeated all over again. The NCAA Petitioners make their request for antitrust deference based on the preservation of ‘amateurism,’ citing *Board of Regents*.\(^{49}\) However, Judge Wilken at the Northern District Court of California correctly found that this concept of ‘amateurism’ in intercollegiate sports comes with “no stand-alone definition” and a wholly incomplete and inconsistent explanation of what can be considered to be “pay,” at least based on plain language definitions of the term.\(^{50}\)

\(^{41}\) Salerno v. Am. League, 429 F.2d 1003, 1005 (2d Cir. 1970).
\(^{43}\) Id. at 286 (Douglas, J., dissenting).
\(^{45}\) See id. at passim (declining to exempt professional football from antitrust law); see also *United States v. International Boxing Club of New York*, 348 U.S. 236 (1955) (declining to exempt professional boxing from antitrust law); see also *Flood*, 707 U.S. at 282-83 (“Other professional sports operating interstate—football, boxing, basketball, and, presumably, hockey and golf—are not so exempt.”).
\(^{46}\) Smith v. NCAA, 139 F.3d 180, 185 (3d Cir. 1998).
\(^{47}\) See Agnew v. NCAA, 683 F.3d 328, 341-42 (7th Cir. 2012); see Deppe v. NCAA, 893 F.3d 489, 501-02 (7th Cir. 2018).
\(^{48}\) Bassett, 528 F.3d 426, 433 (6th Cir. 2008).
\(^{50}\) In re NCAA Athletic Grant-in-Aid Cap Antitrust Litigation, 375 F.Supp.3d 1058, 1070-71 (N.D. Cal. 2019).
The flimsy nature of the Petitioners’ request for antitrust deference based on ‘amateurism’ can only bring back strong memories of Federal Baseball’s definition of professional baseball as merely “exhibitions . . . which are purely state affairs.” Just as how that definition may have been true in 1922 but is not true now, the Petitioners’ and some lower courts’ vision of the relationship between college athletes and their schools as entirely divorced from economic consideration may have been true several decades ago (including when Board of Regents was decided), but is certainly not true in modern times.\(^{52}\) Given that trajectory, one wonders what judges and legal scholars 100 years from now might think of the Supreme Court’s decision in this case should that decision have the effect of granting antitrust immunity to NCAA activities, even if that immunity is narrower than the nearly-unlimited exemption that baseball enjoys to this day.

Moreover, unlike in Federal Baseball’s progeny—Toolson and Flood—no stare decisis binds this Court to continue any existing antitrust immunity. Regardless of what one may think of the power of language in Board of Regents, language on amateurism is merely dicta, as noted above. It is dicta that should certainly be given its fair respect, but it is dicta that gives no firm statement that the Court is bound to give any true, threshold-level antitrust immunity to the Petitioners, as demonstrated by the circuit split between courts attempting to interpret the Board of Regents amateurism language. Board of Regents’s call for courts to afford the NCAA “ample latitude” to promulgate amateurism restrictions is vague enough to be interpretable in an infinite number of ways, even by simply allowing amateurism as a valid procompetitive purpose in Rule of Reason analysis. That is exactly what the lower court did in this case.\(^ {53}\) “Ample latitude” does not necessarily require an effective threshold-level exemption for activities implicating amateurism in college sports. Thus, as precedent, the disputed Board of Regents language is wholly distinguishable from the much more directive Federal Baseball doctrine that was relied upon as stare decisis in Toolson and Flood.

In sum, this Essay argues that if the Supreme Court were to assess a broad reading of the well-cited Board of Regents language on amateurism to grant antitrust immunity to the NCAA, it would be accepting the NCAA’s implicit argument that intercollegiate sports are entitled to special treatment as compared with the other sports leagues. A “revered tradition of amateurism in college sports”—as assessed by the Supreme Court more than 35 years ago—is not sufficient to justify such treatment.\(^ {54}\) The grant of the decidedly baseball-like special treatment that Petitioners seek would be, in the Court’s own words, “unrealistic, inconsistent, or illogical.”\(^ {55}\) Furthermore, as the Supreme Court

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\(^{52}\) See Agnew, 683 F.3d at 338-41 (describing the clearly economic nature of the modern intercollegiate sports labor market).

\(^{53}\) See Alston, 958 F.3d at 1257-59. (allowing “a much narrower conception of amateurism that still gives rise to procompetitive effects” to be balanced as a procompetitive justification, rather than the NCAA’s “expansive conception of amateurism” that was found at the trial court to be unsupported by the evidence).

\(^{54}\) Board of Regents, 486 U.S. at 120A.

\(^{55}\) Radovich, 352 U.S. at 452.
has repeatedly stated, such grants should be exclusively in the hands of Congress, not the courts.

IV. Granting Antitrust Immunity to the Petitioners Would Disrupt the Ongoing Legislative Process Surrounding College Athletic Reform

It is of little secret that the Alston Petitioners have been engaged with various members of Congress to lobby for legislation to preempt recently-passed state legislation forcing change in NCAA name, image, and likeness (NIL) policy.\(^\text{56}\) The NCAA Petitioners even cited this Congressional action in their own petition for writ of certiorari.\(^\text{57}\)

Such legislation would presumably include—if Congress so chooses—immunity from antitrust enforcement. Indeed, a lawyer from the outgoing Department of Justice also recently sent a letter to the NCAA warning that their proposed direction on NIL reform measures "may raise concerns under the antitrust laws."\(^\text{58}\) Citing this letter, the NCAA has now delayed voting on its proposed NIL and athlete transfer rules indefinitely, presumably waiting to see whether it can receive antitrust immunity for these rules from Congress—or from the Supreme Court in Alston—first.\(^\text{59}\)

But in the past year, the Petitioners received no less than three opportunities to lobby Congress in legislative hearings debating the extent to which Congress should

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\(^\text{57}\) Pet. for Writ of Certiorari at 6, NCAA v. Alston, No. 20-512 (Oct. 15, 2020) (noting that Congress “is considering (with petitioner’s active involvement) whether to adopt federal legislation regarding student-athlete compensation”).


These efforts have led to several proposed bills, some of which have been formally submitted by several different Members of Congress for committee review.\footnote{See Compensating College Athletes: Examining the Potential Impact on Athletes and Institutions Before the S. Comm. on Health, Ed., Labor, and Pensions, 116th Cong. (2020); Exploring a Compensation Framework for Intercollegiate Athletics Before the S. Comm. on Com., Sci., and Transp., 116th Cong. (2020); Protecting the Integrity of College Athletics Before the S. Comm. on the Judiciary, 116th Cong. (2020).}

Most of this proposed legislation includes some degree of antitrust immunity for the Petitioners’ activities, as well as immunity under federal and state wage-and-hour statutes like the Fair Labor Standards Act.\footnote{See, e.g., Fairness in Collegiate Athletics Act, S. 4004, 116th Cong. (2020) (introduced by Senator Marco Rubio); Collegiate Athlete Compensation Rights Act, S. 5003, 116th Cong. (2020) (introduced by Senator Roger Wicker); Student Athlete Level Playing Field Act, H. R. 8382, 116th Cong. (2020) (introduced by Representative Anthony Gonzalez).} But Congress has thus far failed to take any action to pass this legislation and grant the relief that the Alston Petitioners now seek from the Supreme Court.\footnote{See Andy Staples and Nicole Auerbach, Which Bill to Compensate College Athletes Will Win Out, and Which One Should?, THE ATHLETIC (Dec. 28, 2020), https://theathletic.com/2287100/2020/12/28/ncaa-congress-name-image-likeness-bill/ (summarizing the proposed NIL legislation before Congress).}

The Supreme Court’s prior precedent, placing the role of creating antitrust immunity in the hands of the legislative branch, should hold due to the lack of Federal Baseball-like \textit{stare decisis} or existing legislation already prescribing the NCAA antitrust immunity for amateurism restrictions. As an example, this case has strong similarities to the fact pattern leading to the Supreme Court’s holding in \textit{United States v. Philadelphia National Bank},\footnote{See Flood v. Kuhn, 407 U.S. 258, 281-83 (1972) (citing as persuasive the “numerous and persistent” legislative proposals that Congress failed to pass and finding that since Congress had yet to enact this legislation, they clearly intended baseball’s treatment under the antitrust laws to remain as is).} where the Court rejected the argument that Congress intended to confer an antitrust exemption to the banking industry through a 1950 amendment which had added an assets-acquisition provision to § 7 of the Clayton Act.\footnote{U.S. v. Phila. Nat’l Bank, 374 U.S. 321 (1963).} By reviewing the amendment’s legislative history, the Court held that there was “no indication . . . that Congress wished to confer a special dispensation upon the banking industry,” and if Congress desired to grant a wider exemption than the narrow amendment granting exemption solely to asset acquisition, “surely it would have exempted the industry” either at that time or through later legislation.\footnote{Id. at 340-48.}

Despite Petitioner’s efforts, Congress has thus far refused to grant this request. Like the bankers in \textit{Philadelphia National Bank}, Petitioners should not be permitted to continue to usurp the legislative process by asking the Court to grant them antitrust protection that Congress has, at least thus far, declined to grant to them.\footnote{Id. at 348.} Such power

\footnote{See So. Motor Carriers Rate Conf., 471 U.S. at 67 (citing “Only Congress, expressly or by implication, may authorize price fixing, and has done so in particular industries or compelling circumstances”).}
should be left in the hands of the legislative branch, which will allow Congress to grant the Petitioners antitrust immunity only when it sees fit.

V. Conclusion

As noted, this Essay takes no position on whether the Ninth Circuit decision should be affirmed or overruled. This Essay instead submits that the Court is faced with a second choice and question of law: whether to affirm the Seventh Circuit’s approach in *Agnew v. NCAA*68 and *Deppe v. NCAA*69 of granting broad antitrust immunity through a “procompetitive presumption” for the Petitioners’ activities related to amateurism; or whether to affirm the Ninth Circuit’s approach, which has rejected Petitioners’ claim to antitrust immunity and instead forced them to justify their conduct by balancing procompetitive effects against anticompetitive harms.70

In the view of this Essay, that decision should be clear. The Ninth Circuit’s approach properly applies the Rule of Reason to weigh the merits of the Petitioners’ conduct in its proper holistic context. By contrast, the Seventh Circuit precedent relied on by the Petitioners improperly reads *Board of Regents* dicta to grant implied antitrust immunity in a way that runs counter to decades of Court precedent. Affirming that approach over the Ninth Circuit’s methodology—thus reading into *Board of Regents* an antitrust exemption for amateur sports—would resurrect the failed reasoning of *Toolson* and *Flood*.

The Supreme Court should not create another sport-specific antitrust exemption that would haunt its legacy. This is particularly true since unlike in *Toolson* and *Flood*—where Congress was faced with the choice of whether to remove an antitrust exemption created by firm and decisive doctrine by this Court—Congress is currently deciding whether to add antitrust immunity by answering the Petitioners’ call to exempt amateurism restrictions through legislation. Thus, regardless of how the Supreme Court rules in *Alston*, its decision should properly leave the decision of antitrust immunity for amateurism activities to the legislative branch. This can be done by either affirming the Ninth Circuit’s holding, or by taking a more narrow but decisive approach to reversal that makes clear that regardless of this Court’s judgment of the Ninth Circuit’s findings, its approach of relying on Rule of Reason analysis is the only correct and proper means of determining the legality of NCAA amateurism restrictions under the antitrust laws.

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68 *Agnew v. NCAA*, 683 F.3d 328, 341-42 (7th Cir. 2012).
69 *Deppe v. NCAA*, 893 F.3d 498, 501-02 (7th Cir. 2018).
70 See *Alston v. NCAA*, 958 F.3d 1239 (9th Cir. 2020); *see also* *O’Bannon v. NCAA*, 802 F.3d 1049 (9th Cir. 2015).