THE GROWING COLLEGE SPORTS FUNDING GAP:

How massive media revenue disparities are hurting athletes and smaller schools

U.S. Senate Committee on Commerce, Science, and Transportation
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Over the past two decades, college sport media deals have skyrocketed in value. This has opened a massive revenue gap between the traditional power conferences—especially the new Power 2—the SEC and Big Ten—and everyone else.

Today, a Power 2 school won't just gain an edge over other conferences by spending more on coaches and facilities, they can afford to recruit the most talented student athletes, including athletes who have been coached up by other schools. And the more they win, the more media revenues they rack up.

The result is the "haves" continue to get more and more, leaving the small to midsize schools ever further behind.

Using publicly available tax returns from nine football conferences, this snapshot report shows how revenue imbalances threaten to ruin college sports competition for all but a few schools.

Without change, there won't be any more "any given Saturday" gridiron dreams or March Madness Cinderella stories.

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THE WIDENING REVENUE GAP

Unchecked consolidation confers a massive revenue advantage for power conferences

As former Fox television executive, Bob Thompson, stated, "The rich are getting richer."

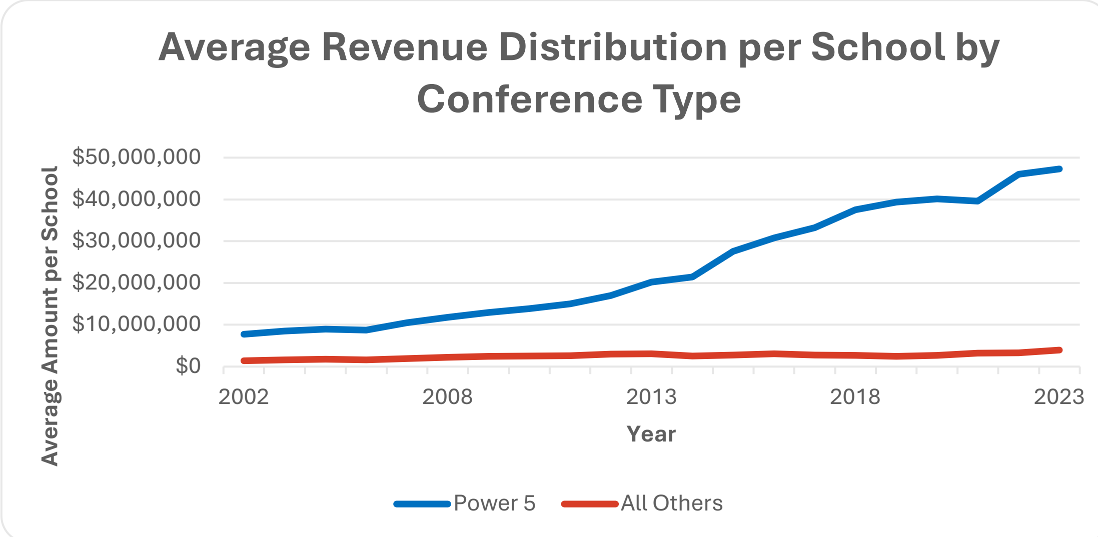
"And the poor get poorer" added former Big 12 Commissioner Bob Bowsbly.

The financial gap between the Power conferences and all other schools has grown dramatically over the past two decades. This disparity is even more stark when it comes to the Power 2 (the Big Ten and SEC). An analysis of conference distributions shows that these disparities are driven largely by TV media rights deals.

This trend is harming Olympic and non-revenue generating sports because schools are being forced to cut these programs to devote more money to football and basketball. Financial pressure has also incentivized schools to raise fees on students in order to fund their athletics. And it has led to concerns that because schools at the top have so much money, non-power schools cannot retain athletes and are becoming essentially farm teams for the bigger schools.

In 2002 the gap between the average conference distribution for the Group of Five (AAC, CUSA, MAC, Sunbelt, and Mountain West) versus the then-Power 5 was $6,340,240. By 2010 the gap had nearly doubled to $11,313,480. By 2020 it ballooned to $37,467,830. As of the most recent tax filings across conferences—for fiscal year 2023, the gap is $43,346,930.

That means, **in real dollars, an annual revenue gap that was approximately $6 million per school in 2002, had grown to over $43 million per school** by 2023**.**

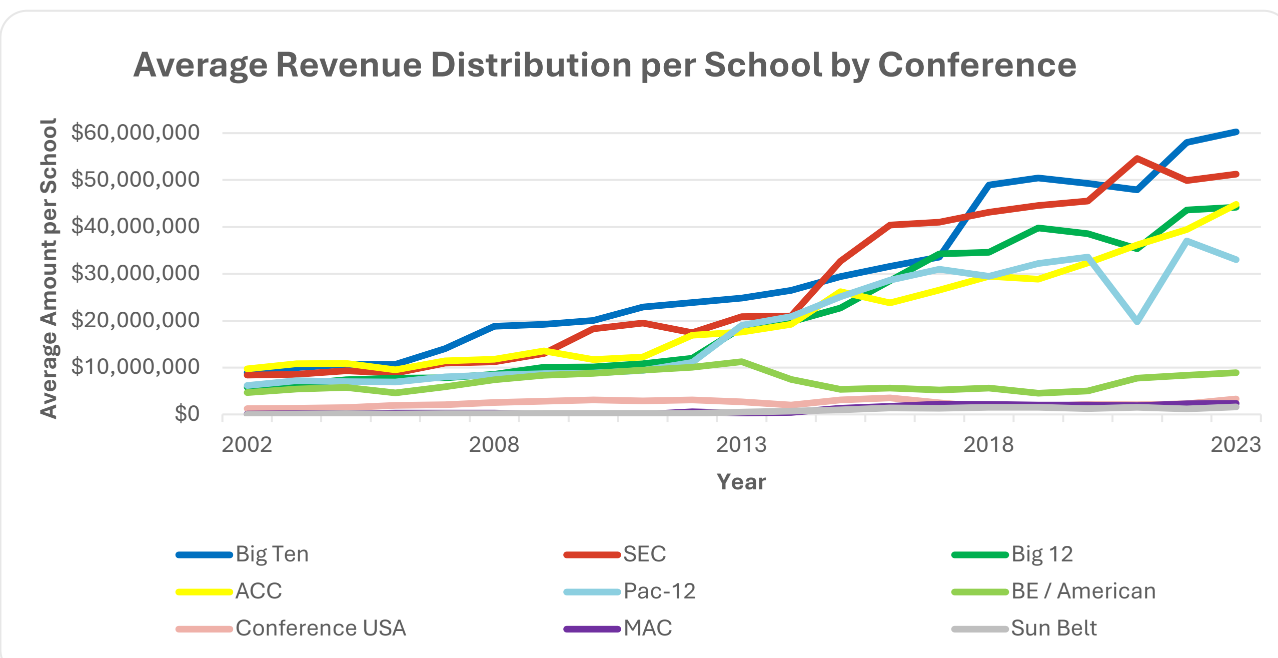


The chart above demonstrates just how much the gap has widened. The per-school distributions of the Power 5 conferences, which traditionally included the Pac-12 prior to its collapse, have drastically increased and are now averaging close to $50 million in conference distributions per year.

Thanks to football, that means **the average school in a power conference received $47.3 million in TV revenue distribution in 2023, nearly 12 times more than competitors in lower-tier Football Bowl Subdivision conferences,** which received only $4 million on average.

By contrast the distributions to schools in the Group of 5 conferences have flatlined and average well below $10 million per school. And even at the top amongst the Power 5 conferences, there is a divide. Over the last decade, the SEC and Big Ten have begun pulling in tens of millions more than their competitors in the ACC, Big 12, and Pac 12.

In addition to the regular season TV media rights contracts driving the divide in conference distributions, the College Football Playoff is also widening existing inequities. This is reflected in the chart below that demonstrates an acceleration of the gap around 2014-15—right when the College Football Playoff began.



Like regular season TV media rights, the discrepancies between who benefits from post-season football has grown over time between the Power conferences and other conferences. As shown in the below table, in just the last 10 years, the gap has grown by over $20 million.

College Football Playoff Distributions

Year	Average Power Conference Guarantee	Average Non-Power Conference Guarantee	Gap
2015	$64,373,520	$16,464,350	$47,909,170
2020	$76,570,100	$17,708,500	$58,861,600
2025	$93,070,000	$23,218,000	$69,852,000

The disparity will continue to grow. The TV rights deal for the College Football Playoff with ESPN beginning in the 2026-2027 season is estimated at $1.3 billion a year. Nearly 60% of that revenue is expected to go to the Big Ten and SEC.

By contrast, revenues from the NCAA Tournament are distributed by the NCAA to institutions across all three NCAA divisions to fund sports and scholarships at those institutions. These revenues also are used by the NCAA to support student athletes by funding post-eligibility insurance, a student assistance fund, catastrophic injury coverage, and more.

As the gap grows, smaller schools' competitiveness will suffer. Already, smaller schools are losing athletes to better funded programs, especially for the highest-performing athletes. In 2023, 40% of the players with all-conference honors in a Group of Five conference transferred, mostly to power conferences.

Former Texas A&M coach Jimbo Fisher went so far as to say,

> *"[s]ome of those leagues…they're becoming glorified junior colleges."*

EVEN POWER CONFERENCE SCHOOLS AT RISK

Many colleges fear massive budget hits as top schools leave their historic conferences to try and capture more lucrative TV deals

When schools chase lucrative TV media rights deals, other schools often lose out. As shown in the previous graph, the Group of Five schools are being left behind by the Power conferences.

And, even at the top, the revenue disparity between the Power 2 (the SEC and Big Ten) and the remaining Power conferences is growing. The Pac-12 has completely collapsed and is rebuilding. The ACC has had to completely change its traditional conference distributions to keep schools from leaving. In several years, when TV media rights negotiations start for expiring TV deals, schools even in the top conferences stand to be left behind.

Conference Realignment and the Cautionary Tale of the Pac-12

In 2024, the Pac-12 collapsed when 10 of its 12 member schools departed for other Power conferences after the conference was not able to secure a TV rights deal that the schools would accept. Currently only two of the original Pac-12 schools, Washington State University and Oregon State University, remain in the conference.

After years of uncertainty, the Pac-12 is back with a full slate of schools, but the budgetary hit of realignment remains. Prior to the collapse of the Pac-12, each Pac-12 member school earned approximately $32 million a year in TV media rights revenues.

Today, Pac-12 members are expected to earn only around $7-12 million a year, a nearly $20 million a year loss with no way to make it up. By contrast, by joining the Big Ten, the Huskies and Ducks could eventually earn as much as $70 million a year in TV media rights revenues.

PAC 12 BREAKUP

Realignments caused some schools to lose nearly 63% of their TV media revenues

The cratering Pac-12 revenues are already being felt, including by Olympic sports. In June 2025, Washington State University announced it would cut field and some sprint events from its Track and Field program.

The New Era of Eyeball-Driven Conference Distributions

Until recently, TV media rights that form the bulk of the conference distributions were typically distributed evenly across conference members (with the notable exception of a prior Pac-12 deal that rewarded TV time and was fought by other conference members). That changed earlier this year when ACC moved to a viewership-based distribution model that ties higher distributions to better TV ratings in football and men's basketball.

The ACC had to restructure its TV rights deal to shift from more equal distribution to viewership-based distribution in response to threats of departure from Clemson and Florida State. The new deal will reportedly lead to $15 million more annually for the conference's top schools. Meanwhile, schools at the bottom of the ACC were effectively held ransom at the threat of Clemson and FSU leaving the conference unless they received more money. These schools are expected to suffer from this new arrangement and will face difficult decisions about cuts.

The table below shows how some schools stand to be winners and losers in a viewership-based distribution system based on how often schools in the top conferences were participants in one of the top 100 most-viewed college football games of the 2023 or 2024 seasons. This chart also serves as a roadmap for likely future conference realignments. When television contracts are renegotiated, teams with the highest viewership in the ACC and Big 12 are most likely to get poached by the SEC and Big Ten, while schools with the lowest viewership across all conferences are in danger losing their conference spots or equal revenue distribution.

SEC	
Georgia	21
Alabama	20
Texas	18
Tennessee	13
Florida	10
LSU	10
Texas A&M	9
Oklahoma	8
Ole Miss	8
Missouri	6
South Carolina	6
Arkansas	5
Auburn	5
Kentucky	5
Mississippi State	2
Vanderbilt	2
TOTAL	**148**

Big Ten	
Ohio State	21
Michigan	17
Penn State	15
Nebraska	10
Washington	9
Oregon	8
USC	8
Indiana	7
Iowa	6
Wisconsin	4
Illinois	4
Michigan State	3
Minnesota	3
Maryland	2
Rutgers	2
Purdue	1
UCLA	1
Northwestern	0
TOTAL	**121**

Big 12	
Colorado	17
Iowa State	5
Kansas State	4
Utah	4
Kansas	3
Oklahoma State	3
Texas Tech	3
West Virginia	3
Arizona State	2
Baylor	2
Arizona	1
BYU	1
TCU	1
Houston	0
Cincinnati	0
Central Florida	0
TOTAL	**49**

ACC	
Florida State	10
Clemson	7
Miami	6
Georgia Tech	5
Duke	4
Boston College	3
Louisville	3
North Carolina	2
SMU	2
Virginia Tech	2
NC State	1
Stanford	1
Cal	0
Wake Forest	0
Pitt	0
Virginia	0
Syracuse	0
TOTAL	**46**

As an anonymous power conference executive told CBS Sports,

"There are Power Four schools currently that are lucky they got the last boat out . . . They would have a hard time in 2025 selling themselves to the Power Four. Every conference has one of those."

INEQUITY EXTENDS BEYOND FOOTBALL

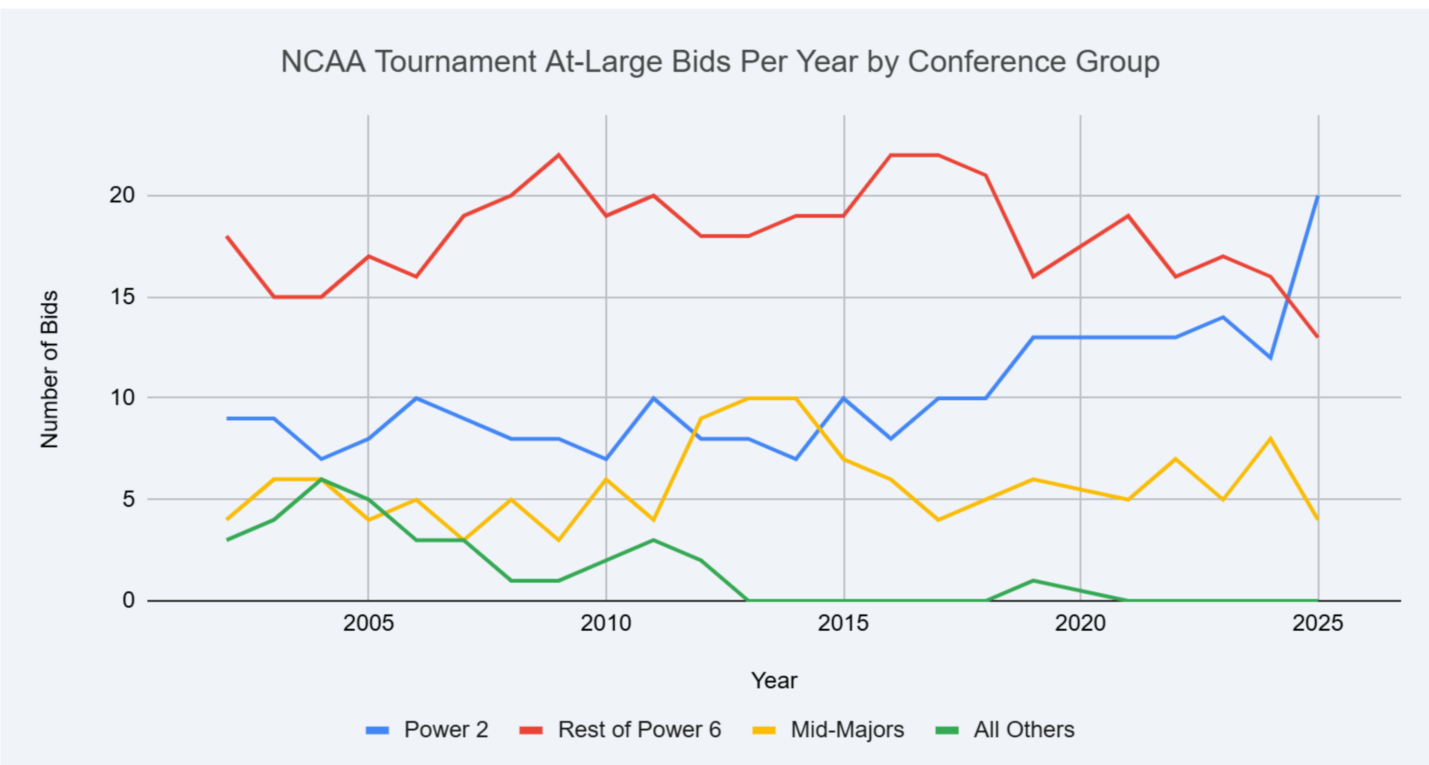
Power 2 are monopolizing an increasing number of at-large bids in March Madness

As the gap widens, opportunity narrows for everyone but the schools raking in most of the media revenues. As the chart below demonstrates, the SEC and Big Ten have been able to leverage their disproportional share of revenues to start dominating the NCAA Men's Basketball Tournament.

Since 2014, spending by SEC men's basketball programs has increased by 76% as of 2023. Spending by the Big Ten has increased 69%. **In March 2025, the SEC and Big Ten captured more at-large bids than all the other conferences combined.**

The SEC and Big Ten dominance in March Madness hurts smaller schools, including traditional basketball powerhouses that are unable to subsidize basketball through football revenues, meaning traditional mid-major basketball powerhouses cannot compete.

This dominance also heightens the risk of the SEC and Big Ten demanding a greater share of TV rights revenue for the tournament when the current TV media rights deal expires in 2032, or even leaving the NCAA altogether. And it hurts fans who want to see Cinderella stories during March Madness.



RISKS TO OLYMPIC SPORTS

Budget-stressed schools are currently cutting sports that train America's Olympic athletes

As schools devote more and more money to their football and basketball programs or face budget cuts due to conference realignment or reduced conference distributions, Olympic sports will suffer.

At the 2024 Paris Olympics, 65% of U.S. Olympic athletes were NCAA college athletes. That includes 385 athletes from 138 schools, 45 conferences, and 19 NCAA sports. The diversity of schools and conferences represented signifies the importance of maintaining robust college sports programs well beyond the Big Ten and the SEC.

The top five Olympic sports at the Paris 2024 Olympics with NCAA varsity athlete representation are track and field (113 athletes), swimming (44), water polo (26), volleyball (24) and rowing (24). Budget-stressed schools are also currently cutting Olympic sport programs.

Since May 2024, 41 Division 1 Olympic sports programs have been cut in sports like track and field and volleyball, affecting at least 1,000 athletes.

CONCLUSION

Without Congressional action, the gap between the Power 2 and everyone else will continue to widen to the detriment of college athletes and all other schools.

As the Knight Commission previewed several years ago:

> *"[M]any Division I athletic programs were hemorrhaging money, raising fees to inappropriate levels, spending beyond their means on coaching salaries and gilded facilities to keep up with the FBS competitors, while shortchanging or even dropping Olympic sports."*

Smaller schools and conference are already losing top talent to the Power 2 schools that can recruit the most promising high schoolers and raid the transfer portal for the best players who have been trained by other schools. Further entrenching the current system will mean schools will be forced to cut sports, especially non-revenue generating Olympic sports, and impose fees on all students to pay for athletics.

Chasing media revenue should not be the focus of college sports. Conferences and athletic departments should focus on building an ecosystem that supports athletes, opportunity, and competition and gives every school and their fans a chance at the title.

APPENDIX A: TV RIGHTS AND CONFERENCE DISTRIBUTIONS

In 1984, the Supreme Court ruled in *NCAA v. Board of Regents*, that the NCAA's control over college football media rights was a monopoly and that each individual school should be able to negotiate their own TV media rights deals. After an initial wild west period of individual schools trying to get the best deals, schools began to jointly aggregate their TV media rights with a conference, the system that continues today. Schools sign over their rights to a conference, the conference sells the bundled rights to a television partner, and then the conference distributes the revenues to the conference members. In addition to TV media rights, conferences also distribute money from the NCAA Tournament, conference championships, bowl games, as well as post-season revenues from the College Football Playoff.

APPENDIX B: THE GROWING REVENUE GAP

Year	Power 5 Average Amount Per School	Other FBS Conferences Average Amount Per School	Revenue Gap
2002	$7,734,940	$1,394,700	$6,340,240
2003	$8,519,330	$1,600,150	$6,919,180
2004	$9,000,220	$1,753,590	$7,246,630
2005	$8,755,500	$1,625,710	$7,129,790
2007	$10,480,500	$1,890,080	$8,590,420
2008	$11,765,300	$2,253,440	$9,511,860
2009	$12,937,000	$2,452,430	$10,484,570
2010	$13,869,400	$2,555,920	$11,313,480
2011	$15,035,500	$2,630,130	$12,405,370
2012	$17,004,200	$2,979,880	$14,024,320
2013	$20,241,500	$3,045,400	$17,196,100
2014	$21,434,100	$2,498,260	$18,935,840
2015	$27,570,400	$2,739,170	$24,831,230
2016	$30,782,600	$3,098,210	$27,684,390
2017	$33,271,700	$2,772,660	$30,499,040
2018	$37,533,300	$2,687,750	$34,845,550
2019	$39,365,700	$2,457,320	$36,908,380
2020	$40,128,000	$2,660,170	$37,467,830
2021	$39,569,600	$3,241,930	$36,327,670
2022	$45,990,200	$3,299,490	$42,690,710
2023	$47,302,200	$3,955,270	$43,346,930

APPENDIX C: DATA NOTES

The analysis of conference revenue distributions in Section 1 does not include data (1) from the Mountain West as the Mountain West does not historically report individual school distributions on its tax returns; (2) basketball-only schools; and (3) the year 2006 as data was unavailable that year for the Big East, American, and Pac-12.

The information about College Football Playoff distribution comes from the following sources:
2015: https://businessofcollegesports.com/2014-15-college-football-playoff-payouts/
2020: https://businessofcollegesports.com/2019-20-college-football-playoff-payouts/
2025: https://collegefootballplayoff.com/sports/2017/9/20/revenue-distribution.aspx