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United States Senate

COMMITTEE ON THE JUDICIARY WASHINGTON, DC 20510-6275

June 28, 2022

Harry Marino
Executive Director
Advocates for Minor Leaguers
PO Box 58254
Washington, DC 20037

Dear Mr. Marino:

May 29, 2022 marked the 100-year anniversary of the Supreme Court's unilateral creation of Major League Baseball's (MLB) antitrust exemption in the case *Federal Baseball Club v. National League*.¹ As we mark this anniversary, we write to seek information about how baseball's antitrust exemption is impacting competition in the labor market for minor league ballplayers as well as the operations of minor league teams. Your answers will help inform the Senate Judiciary Committee's analysis of the necessity of this century-old exemption.

We ask that you provide answers to the following questions by July 6, 2022:

- 1. Aside from baseball, do any American professional sports have a general exemption from the antitrust laws?
- 2. What effect does the antitrust exemption have on the incidence of lockouts and work stoppages at the MLB level, and what impact do these incidents have on minor league players and teams?
- 3. MLB requires all minor league players to sign a Minor League Uniform Player Contract.²
 - a. What role, if any, does MLB's antitrust exemption play in enabling this conduct?
 - b. Please discuss the impact of the antitrust exemption on the negotiation of minor league players' length of contract, wages, housing, or other working conditions. What effect would removing the antitrust exemption have on minor league player working conditions?
 - c. If a more tailored approach, like extending the Curt Flood Act to cover minor league players, was taken, what would be the impact?
- 4. Recent reports, including an article in *The Athletic* entitled "A failed system': A corrupt process exploits Dominican baseball prospects. Is an international draft really the answer?" have identified rampant corruption and abuse in the market for international prospects, from

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¹ 42 S.Ct. 465 (1922).

² Attachment 3: Minor League Uniform Player Contract, MAJOR LEAGUE RULES (2021), https://registration.mlbpa.org/pdf/majorleaguerules.pdf.

giving performance-enhancing drugs to teenagers to shady dealings between scouts and trainers.³ To your knowledge, how widespread are these practices? And what role, if any, does MLB's antitrust exemption play in creating the conditions that enable these practices?

- 5. In lobbying for the Save America's Pastime Act (SAPA), MLB claimed the bill was necessary to prevent minor league contraction.⁴ However, despite its enactment, prior to the 2021 baseball season, dozens of minor league teams lost their affiliations with MLB clubs as a result of its reorganization of the minor leagues.⁵
 - a. How did this reorganization affect minor league baseball players?
 - b. Did the antitrust exemption play any role in MLB's ability to restructure the minor leagues in this way?
 - c. What effect would repealing SAPA have on the minor leagues and minor league players?
- 6. Is there any other information that you believe could help inform the Senate Judiciary Committee's analysis of MLB's century-old antitrust exemption?

We appreciate your attention to this timely issue and look forward to working with you to ensure that players, communities, and fans can continue to enjoy America's pastime.

Sincerely,

RICHARD I DIJRRIN

Chair

Committee on the Judiciary

CHARLES E. GRASSLEY

Ranking Member

Committee on the Judiciary

RICHARD BLUMENTHAL

United States Senator

MICHAEL S. LEE United States Senator

³ Maria Torres & Ken Rosenthal, 'A failed system': A corrupt process exploits Dominican baseball prospects. Is an international draft really the answer?, THE ATHLETIC (Jan. 20, 2022), https://theathletic.com/3080470/2022/01/20/a-failed-system-a-corrupt-process-exploits-dominican-baseball-prospects-is-an-international-draft-really-the-answer/.

⁴ See, e.g., Evan Drellich, 'If we are forced to defend ourselves and fight for our mere survival, we will': MiLB president responds to MLB plan, THE ATHLETIC (Oct. 19, 2019), https://theathletic.com/1306272/2019/10/19/if-we-are-forced-to-defend-ourselves-and-fight-for-our-mere-survival-we-will-milb-president-responds-to-mlb-plan/ (quoting Minor League Baseball President Pat O'Connor, "One of the premises [of the Save America's Pastime Act], and one of the well-known premises, was if we don't get this legislation for Major League Baseball, they're either going to cut [minor league] teams or they're going to come after us for more money.").

⁵ Gabe Lacques, *Major League Baseball issues invites for minor-league affiliates; here are teams that didn't make cut*, USA Today (Dec. 9, 2020), https://www.usatoday.com/story/sports/mlb/2020/12/09/mlb-announces-minor-league-affiliate-invites-some-teams-miss-cut/3805929001/.