Written Testimony of
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Subcommittee on Early Childhood, Elementary, and Secondary Education
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Chairman Kiley, Ranking Member Bonamici, and Members of the Subcommittee: Thank you for the opportunity to testify today about the crisis of affordability that is plaguing youth sports today. My name is Katherine Van Dyck, and I am a Senior Fellow at both the American Economic Liberties Project and the University of California Berkeley Law School's Civil Justice Research Initiative. I previously served as an Attorney-Advisor in the Federal Trade Commission's Office of Policy Planning. For two decades, I was a litigator, representing consumers, small businesses, and employees challenging powerful corporate interests in court.

Most relevant to today's hearing, I served as co-lead counsel and represented a group of small business owners running competitive cheerleading programs across the United States in an antitrust lawsuit against Varsity Brands, challenging its monopolization of the sport. Varsity, which was passed between a series of large private equity firms, used serial acquisitions and vertical integration to capture every aspect of competitive All Star cheerleading. But Varsity is not an outlier. I am here today to sound the alarm about what is happening to youth sports in the United States and to tell you that only bold action can save this cornerstone of American life for the next generation.

Youth sports in our country are beloved traditions and great equalizers, a place where children from all backgrounds can come together, learn teamwork and fair play, and build shared community bonds. But it is quickly becoming the next victim of a financialized economy that has taken over virtually every aspect of American life. Private equity companies have been quietly and systematically capturing the youth sports industry across the United States, turning what was once an affordable public good into a profit-extraction machine. It is the same playbook that private equity used to consolidate industries as varied as veterinary clinics, nursing homes, hospitals, and firetrucks—stripping assets, raising prices, and degrading quality, and the consequences are devastating.

Today, families are emotionally manipulated and trapped in expensive contracts with their kids' sports leagues. Parents are going into debt, often spending $5,000 or more a year on athletics. Kids are burning out and quitting sports earlier, and injuries from overuse are reaching epidemic proportions. Finally, the participation gap is expanding. Nearly twice as many children in higher-income households play sports as in low-income ones.

When children cannot afford to play sports because it has become too expensive, we are not just failing individual families. We are undermining the foundations of American civic life. When that opportunity becomes a luxury good available only to the wealthy, we are destroying the social fabric that holds our nation together.

Private equity has become a predatory force in our society. It harms our children and threatens the stability of American society for profit, and it has turned its sights on youth sports. It is exploiting parents' love for their children, and their desire to give them opportunities to learn, grow, and succeed. Parents are being told that specialization will build star athletes, that expensive tournaments will draw college recruiters, and that athletic scholarships will follow, all so that they will pay expensive enrollment and travel fees for overly professionalized leagues and tournaments. A recent survey revealed that 83% of parents believe their children have the talent to earn athletic scholarships, and 49% are "confident" they will.[1] In reality, only 2% of college applicants receive athletic scholarships, most covering only a fraction of tuition.[2] The industry's promises of more are puffery at best and deceptive violations of state and federal consumer protection laws at worst.

But here is the good news: Congress can stop this. You are not powerless. You can take action to break up the private equity stranglehold on youth sports and restore it to the public good it once was.

I. How We Got Here: From Community Cornerstone to Corporate Commodity

Youth sports used to be a cornerstone of community life. Children played in local rec leagues on nearby fields and courts. Hardware stores, pizza shops, and family-owned pharmacies supported the kids in their neighborhood. Uniforms were reused season after season. Coaches were volunteer parents and teachers. Kids tried out different sports until they settled on one or two in high school. Participation was broadly accessible across income levels. It was inexpensive, low-stakes, fun, and built character. Any parent today, including many of the honorable members of this Subcommittee, knows this is not what most children and families encounter today. So how did we get here?

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[1] New York Life, *Parents face growing financial strain pursuing youth sports for their children* (Apr. 22, 2025)

[2] *Scholarships*, NAT'L COLLEGIATE ATHLETIC ASS'N, last visited Dec. 12, 2025.

A. The Great Recession and COVID-19

Prior to 2008, parks and recreation budgets, at the state and local level, an important source of funding for youth sports programs, saw steady growth.[3] Capital expenditures grew as high as $40.7 billion in 2008.[4] But the financial crisis and the recession that followed proved devastating. From 2009 to 2013, parks and recreation budgets were slashed by 21%, and capital spending, which funds the construction and renovation of fields, courts, and facilities, collapsed by 45% to just $6.6 billion by 2013.[5]

The human impact was immediate and severe. Community programs began closing at alarming rates. For example, the Bronx Buccaneers, a local football program in New York, saw enrollment collapse from 120 kids in 2015 to just 45 by 2017.[6] In competitive All Star cheerleading, at least 35 gyms, the organizations that organize and train teams, closed in 2019, compared to an already problematic attrition rate of 5 to 10 closures annually.[7] Youth sports participation dropped by 7 percentage points between 2008 and 2014.[8]

The economic impact of the COVID-19 pandemic delivered another crushing blow. Within six weeks of the shutdown in spring 2020, nearly 50% of all parks and recreation agencies received budget cut requests.[9] By September 2021, families reported that 13% of their youth sports organizations had closed entirely due to COVID-19, 12% had merged with another organization, and 19% had returned but could only offer limited programming.[10] Yet, while state and local sports budgets were hemorrhaging, the federal government offered no safety net.

B. The Vacuum That Private Equity Filled

When Congress passed the Ted Stevens Olympic and Amateur Sports Act in 1978,[11] it established the United States Olympic and Paralympic Committee and a system of national governing bodies (NGBs) to oversee Olympic sports.[12] The Act directs these bodies to foster the development of amateur athletes, assist organizations involved in amateur athletics, and promote physical fitness.[13] Presidents from Dwight D. Eisenhower to Donald J. Trump have reinforced

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[3] Nicholas Pitas, et al., *The Great Recession's Profound Impact on Parks and Recreation*, PARKS & REC. MAGAZINE (Feb. 2018).

[4] *Id*.

[5] *Id*.

[6] Dan Grossman, *Youth sport participation has been declining for decades*, DENVER7 (November 2, 2022).

[7] Fusion Elite All Stars v. Varsity Brands LLC, No. 20-cv-02600, *Consol. Complaint*, Dkt. 56 at ¶234 (W.D. Tenn. Oct. 2, 2020).

[8] Tom Farrey, *Time to rebuild youth sports in America*, ASPEN INST. SPORTS & SOCIETY PROGRAM (Feb. 18, 2021).

[9] Jon Solomon, *Survey: 31% of parks departments already cut 2020-21 budgets*, ASPEN INST. (May 5, 2020).

[10] Travis E. Dorsch and Jordan A. Blazo, *Findings from Phase IV of the COVID-19 National Parenting Survey: September*, ASPEN INST., at 26 (Sept. 2021).

[11] 36 U.S.C. § 220501 et seq.

[12] 36 U.S.C. §§ 220502-03, 220521-30a.

[13] 36 U.S.C. § 220503; 36 U.S.C. § 220524(a)(1).

the importance of children's sports and fitness with executive orders declaring them national priorities, not just for our nation's physical health but for its military strength and national security. However, these policy commitments have also been consistent across administrations in one unfortunate way. They are unfunded mandates for an unregulated industry. No administration has provided the resources necessary to fulfill these national priorities. Meanwhile, NGBs vary wildly in funding, and their jurisdiction over youth sports is extremely limited.

This combination—slashed state and local budgets, unfunded federal mandates, weak regulatory oversight, and fragmented governance—created a vacuum in an enormously popular market that predatory investors were eager to fill.[14] With community-based and school programs disappearing, families were forced to turn to the private market.

II. Understanding Private Equity's Business Model

A. The Serial Acquisition Strategy

To understand how private equity has captured youth sports, it is critical to first understand private equity's playbook. As my colleagues at the American Economic Liberties Project have documented in their extensive research on serial acquisitions and industry, private equity firms follow a well-established pattern: they identify a fragmented industry, rapidly acquire multiple competitors to establish dominance, eliminate competition, and then extract maximum profits from a captive customer base.[15] This strategy, known as "roll-up" or serial acquisition, has been deployed across several American industries. Private equity has rolled up veterinary clinics, nursing homes, emergency physician staffing companies, fire truck manufacturers, and now youth sports. The pattern is consistent: acquire dominant market share, create vertical integration by controlling multiple levels of the supply chain, use that control to eliminate competition, and extract wealth.

What makes youth sports particularly attractive to private equity is the combination of a large and growing market, fragmented ownership ripe for consolidation, and inelastic demand. Parents who want to give their children opportunities are a captive and vulnerable market. And unlike professional sports leagues that limit the ownership stakes available to private equity firms, youth sports organizations can be acquired relatively cheaply, especially in the wake of the Great Recession and COVID-19.

B. The "Flywheel": Vertical Integration and Serial Acquisitions

Once private equity firms acquire multiple competitors, they build what the Department of Justice, in its monopolization suit against Live Nation, calls a "flywheel", a self-reinforcing

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[14] Comm'n on the State of U.S. Olympics & Paralympics ("U.S. Olympic Comm'n"), *Passing the Torch: Modernizing Olympic, Paralympic, & Grassroots Sports in America*, at 11-12, 29 (2024).

[15] Denise Hearn, et al., *The Roll-Up Economy: The Business of Consolidating Industries with Serial Acquisitions*, Am. Econ. Liberties Proj. (Dec. 2022).

business model.[16] Private equity firms in youth sports now control leagues, teams, venues, scheduling software, uniforms, streaming services, hotels, and even merchandise sales at events. Each layer extracts additional revenue, and families have no choice but to pay if they want their children to play. Let me be clear about how comprehensive this control has become:

- **3Step Sports**, backed by Juggernaut Capital, operates over 5,000 clubs, 2,500 events, and 25 facilities across seven sports (basketball, football, soccer, volleyball, lacrosse, field hockey, and combat), serving 1.5 million athletes.[17] In a lawsuit against a former employee, 3Step plainly stated that its "competitive edge rests on a vertical integration strategy that combines club operations, tournament platforms, facility relationships, and sponsorship deals into a far-reaching nationwide network of opportunities for athletes and teams."[18]

- **Unrivaled Sports**, owned by The Chernin Group, Apollo Global Management founder Josh Harris, and Blackstone executive David Blitzer, claims an "ecosystem" of events, venues, and athlete housing at 15 properties. DICK'S Sporting Goods became a strategic investor this year and touted Unrivaled's development of "a national footprint across 30 states through acquisition, now hosting over 600,000 young athletes and nearly 2 million family members and fans."[19]

- **Black Bear Sports Group**, backed by Blackstreet Capital Holdings, has taken over youth ice hockey. It owns multiple hockey leagues, ice rinks, tournaments, and an exclusive streaming service. Ice rinks are particularly vulnerable to this model, with municipalities eager to offload maintenance costs selling to private operators who then lease the rinks back to local leagues and instructors at inflated rates. As one report documented, lessons at one rink jumped from $55 to $200 post-acquisition.[20]

- **Varsity Brands**, which KKR acquired from Bain Capital for $4.75 billion in 2024,[21] owns the competitive cheerleading events where All-Star cheer teams compete, the camps where they train, the apparel company that sells them uniforms, a professional cheerleading league, and a streaming platform. It previously controlled the majority of

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[16] Press Release, *Justice Department Sues Live Nation-Ticketmaster for Monopolizing Markets Across the Live Concert Industry*, DEP'T OF JUSTICE (May 23, 2024).

[17] 3Step Sports, *3STEP Sports Delivers A Premium Sport Experience*, last visited Nov. 9, 2025.

[18] 3 Step Sports LLC v. Campion, No. 25-cv-11603, *Verified Complaint*, at ¶25 (D. Mass. June 3, 2025).

[19] PR Newswire, *Unrivaled Sports Announces DICK'S Sporting Goods as New Strategic Investor in Growing and Elevating Youth Sports Experiences* (May 6, 2025).

[20] Kenny Jacoby, *'They control everything': How the Dallas Stars monopolized Texas youth hockey*, USA TODAY (Aug. 1, 2025).

[21] Varsity has been owned by a series of private equity firms: KKR ($4.75 billion, 2024), Bain Capital ($2.5 billion, 2018), and Charlesbank Capital Partners ($1.5 billion, 2014).

the board seats at the U.S. All Star Federation, the sport's governing body, allowing it to write the rules of the game.[22]

- **Perfect Game**, touted as the world's largest baseball scouting service, started as a college baseball recruiting program for Iowa high school kids in the 1990s.[23] It made 8 acquisitions in 5 years and now operates in 41 states and 12 countries, hosting almost 10,000 events annually for approximately 2 million children.[24] It has also vertically integrated beyond tournaments (which dropped from 98% to 65% of revenue) into media (PerfectGame.TV on streaming platforms), technology (proprietary scouting database), apparel (merchandise in 250 Dick's Sporting Goods stores), and facility ownership, acquiring and building its own tournament complexes rather than renting venues.

- **Technology platforms** that were once volunteer-run tools are now private equity assets that extract recurring revenue from teams and by extension parents. They charge fees for basic administrative functions that used to be free. But the real profit comes from data: detailed information about children's performance, health metrics, and family spending patterns that can be monetized through advertising, sponsorships, and data sales. Examples of these platforms include the newly combined PlayMetrics and Stack Sports, which is owned by GenStar Capital;[25] TeamSnap, which was acquired by Waud Capital Partners in 2021;[26] and LeagueApps, which Accel-KKR invested in last year.[27]

- **Elite training academies**, once reserved for genuinely exceptional athletes, are now being replicated for profit. One private equity group purchased IMG Academy, a "sports-focused boarding school" based in Florida, in 2023. Another private equity-backed firm is launching Masters Academy International in Massachusetts with an $83 million campus and a partnership with USA Fencing.[28] The difference from the past? These facilities are now marketed not as destinations for proven elite talent, but as necessary investments for any child serious about sports, a fundamental shift that redefines ordinary participation as inadequate.

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[22] Varsity was forced to give up board control as a condition of its settlement with cheer gyms in 2023. Fusion Elite All Stars v. Varsity Brands LLC, No. 20-cv-02600, *Settlement Agreement*, Dkt. 329-2 at ¶30 (W.D. Tenn. Mar. 24, 2023).

[23] Kurt Badenhausen, *Perfect Game Adds 20-Plus MLB Player Investors as Business Soars*, SPORTICO (Apr. 4, 2024).

[24] *Id.*

[25] Press Release, *PlayMetrics and Stack Sports Combine to Create Leader in Sports Software*, GENSTAR CAPITAL (June 11, 2025).

[26] Press Release, *TeamSnap Partners With Waud Capital to Accelerate Expansion*, PR NEWSWIRE (Apr. 14, 2021).

[27] Press Release, *LeagueApps Secures Significant Equity Investment From Accel-KKR To Accelerate Innovation In Youth Sports*, LEAGUEAPPS (Oct. 11, 2024).

[28] PR Newswire, *Cognita Partners in Launch of Pioneering Academy Combining Sports and Academic Excellence in New England, USA*, YAHOO! FINANCE (Aug. 1, 2025).

C. How the Flywheel Eliminates Competition

The firms in the youth sports ecosystem use their flywheels to stop potential competitors in their tracks with the monopolist's favorite tools: self-preferencing, tying, and exclusive dealing. For example, a firm that owns ice rinks can give preferential treatment to its affiliated hockey league and deny competitors access. It can prohibit teams from participating in outside leagues or within certain geographic areas. It can condition tournament bids on participation in other league-owned events and camps. It can tie discounted enrollment to exclusive apparel deals. It can place its employees on governing bodies to write the rules that amplify its control.

After eliminating competitors, dominant firms can force families into expensive subscriptions to tech platforms for team management and streaming youth sports games that cost as much or more than a live television package.[29] They can pick which brands are permitted to sell merchandise at their events. They can force families to travel long distances, use preferred travel agents, and stay at preferred hotels for tournaments, while the company receives kickbacks on every transaction. They can add endless fees for registration, entry, gate access, parking, concessions, insurance, and even recording games. And most concerning, they have little financial incentive to invest in robust safety protocols. If a league opts out of NGB membership (or involves a sport like cheerleading that does not have an NGB), it is not required to maintain a SafeSport program.[30] I witnessed all of these tactics when I represented a group of small business owners running competitive All Star cheerleading programs across the United States in an antitrust lawsuit against Varsity Brands.

Varsity used serial acquisitions and vertical integration to capture every aspect of competitive cheerleading, allowing it to squeeze endless dollars from cheer gyms and hard-working parents. It wasn't always like this. Varsity started out as an innovator. It literally invented the sport, moving cheerleading from pompoms and chants to high-flying acrobatics and gymnastics. But shortly after its acquisition by Charlesbank Capital in 2014,[31] it embarked on an acquisition spree, buying rival event organizers across the United States. It moved into the apparel business, selling bedazzled and pricey uniforms. It also got control of competitive cheerleading's governing body, the U.S. All Star Federation (USASF).

With Varsity executives holding a majority of USASF board seats, Varsity set the rules of the game. Varsity and USASF decided which event organizers could award bids to the coveted Worlds championship.[32] They created blackout dates and geographic restrictions to stop independent event producers in their tracks.[33] Varsity and USASF could penalize teams that

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[29] A Black Bear TV streaming package for youth hockey costs as much as $36.99/month (or $319.99 annually), compared to $29.99/month for ESPN Unlimited.

[30] U.S. Center for SafeSport, *FAQs*, *available at* https://uscenterforsafesport.org/about/faqs/ (last visited Nov. 25, 2025) (SafeSport only applies to individuals affiliated with NGBs).

[31] Press Release, *Varsity Brands Enters Into Definitive Agreement To Be Acquired By Charlesbank Capital Partners*, VARSITY BRANDS (Nov. 3, 2014).

[32] Jones v. Varsity Brands, LLC, No. 20-cv-02892, *Plf. Opp. To Mtn. for Summary J'ment*, Dkt. 479 at 5–6 (W.D. Tenn. Sept. 15, 2023)

[33] *Id*. at 8.

participated in non-sanctioned events organized by startups. Varsity also began offering discounts on team uniforms in exchange for committing team schedules to Varsity-owned events and blocking merchandisers from selling their products at those events.[34] It forced parents into subscriptions to its streaming service. And, as it came to control up to 90% of the industry, prices went up, disfavored gyms and event organizers started failing, and a sex abuse scandal that is still being unraveled ate away at All Star cheerleading.[35] This is what happens when one company gains a monopoly on youth sports.

D. An Industry Bigger Than the NFL

A July 2025 report by *The New York Times* found that youth sports has grown into a $40 billion industry.[36] That is almost double the 2024 revenue of the NFL and more than double the revenue of all college athletics.[37] This explosive growth did not happen naturally. It is the direct result of private equity's restructuring of youth sports from a community activity into a commercial product, monetizing it from every angle and turning it into a luxury good characterized by flashy facilities, custom apparel, and mandatory cross-country travel. The goal is not child development, community participation, or Olympic gold. The goal is profit.

The cost of youth sports participation has increased 46% in just five years, nearly double the overall rate of inflation in the same time period.[38] Participating families now spend an average of $1,000 per year on a single sport[39] and $5,000 per year on club sports combined.[40] The participation gap based on income, race, and ethnicity is widening.[41] Only 23% of low-income kids play sports, compared to 44% of children from families earning $100,000 or more.[42] All of this is the result of private equity firms systematically consolidating every major sector of youth sports using the playbook described above. As the President of LeagueApps observed,

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[34] *Id*. at 11.

[35] *E.g.* Meredith Aldis, *Cheer Athletics-Plano files for bankruptcy after sexual assault lawsuit*, FOX7 AUSTIN (Nov. 4, 2025); Daniel Libit, *Varsity Hit With New Cheerleader Sex-Abuse Suit After Litigation Lull*, SPORTICO (Oct. 9, 2025); Kathryn Casteel, Greenville News, *Settlement reached in federal lawsuit alleging sex abuse at Rockstar Cheer*, YAHOO! (Apr. 15, 2024); Victoria Hansen, *Ex-students file 12 sex abuse lawsuits against 6 cheerleading gyms in 7 states*, NPR (Jan. 24, 2023); Marisa Kwiatkowski & Tricia L. Nadolny, *Cheerleading Has a List of People Banned from the Sport. It Was Missing 74 Convicted Sex Offenders*, USA TODAY (Sept. 18, 2020).

[36] Joe Drape & Ken Belson, *Youth Sports Are a $40 Billion Business. Private Equity Is Taking Notice*, NEW YORK TIMES (July 9, 2025).

[37] Mike Florio, *Report: NFL revenue passes $23 billion in latest fiscal year*, NBC SPORTS (Apr. 10, 2025); *A $19bn Industry Is About to Pay Its Workforce for the First Time*, ECONOMIST (Aug. 28, 2025).

[38] Jon Solomon, *Project Play survey: Family spending on youth sports rises 46% over five years*, ASPEN INST. (Mar. 3, 2025); Bureau of Lab. Stat., U.S. Dep't of Lab., *CPI Inflation Calculator* (showing 25.26% cumulative inflation from Jan. 2019 to Sept. 2024) (last visited Dec. 11, 2025).

[39] Solomon, *supra* note 38.

[40] Elizabeth Ekmekjian, Allison Snyder, & Tricia Coxwell Snyder, *The Cost of AAU Youth Sports: Is Playing Sports Out of Reach?*, RESEARCH ASS'N FOR INTERDISCIPLINARY STUDIES (2025). "AAU" refers to the American Athletic Union, an amateur sports organization that offers youth and junior Olympic programs in a number of sports across the United States.

[41] *Youth Sports Facts: Participation Rates*, ASPEN INST. (2024).

[42] *Id*.

"The smaller organizations are getting smaller, and the bigger organizations are getting bigger."[43]

III. The Human Cost: What Private Equity Is Doing to Our Children

What was neighborhood recreation has become mandatory travel sports, with all the associated costs of hotels, meals, and time away from home. Beyond economics, we are harming children's health and development. Injuries from early specialization and overuse are reaching epidemic proportions. ACL injuries increased 26% over 15 years. Tommy John surgeries among young baseball players have been on the rise for years.[44] Concussions remain serious and prevalent.[45] Kids quit sports earlier because of burnout, anxiety, and fatigue.[46] Parents are exhausted too, spending hours each week traveling to distant luxury complexes and paying admission fees just to watch their own children compete.

Meanwhile, these companies and their investors operate with minimal transparency and exploit regulatory gaps. The SafeSport Act, passed in 2017 to address sexual abuse in Olympic sports, only applies to organizations affiliated with national governing bodies. Many youth sports fall outside this jurisdiction entirely. Consumer protection is similarly absent. As I noted earlier, families report being locked into exclusive contracts with hidden fees, forced to use specific hotels where companies receive kickbacks, and required to purchase expensive streaming subscriptions just to watch their own children play. And these firms prey on their hope for athletic scholarships. **3Step Sports** promises families "players immediate national brand recognition within the college recruiting landscape."[47] **Black Bear** promises a commitment "to advancing its youth AAA players through its system to gain college exposure."[48] **Perfect Game** says to "[b]uild your baseball resume at the venue America's top scouts and coaches turn to."[49] Yet when **3Step Sports** announced its signing class for 2024, only about 700 of the more than 1 million athletes it serves were represented.[50]

IV. Policy Recommendations: What Congress Must Do

The crisis in youth sports is not inevitable. It results from specific policy failures and can be addressed through concrete action. Congress should consider whether the business practices and financial incentives of private equity firms are consistent with the values we want in

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[43] *State of Play 2023*, ASPEN INST. (2023).

[44] Dionne Koller, *More Than Play*, at 26-29 (2025); Vincent Minjares, *Analysis: Serious knee injury among teen athletes grows 26%*, ASPEN INST. (Nov. 27, 2023). Patrick Saunders et al., *Ulnar Collateral Ligament Injuries in Pediatric and Adolescent Throwing Athletes*, J. BONE & JOINT SURGERY REV. (2025).

[45] Brittany Wagner, *Kids' Sports Concussions*, UNIV. HEALTH (Aug. 14, 2025)

[46] U.S. Olympic Comm'n, *supra* note 14, at 86.

[47] Press Release, *3STEP Sports Expands M&D Lacrosse into Minnesota*, 3STEP SPORTS (June 19, 2025).

[48] *Junior Hockey Franchises*, BLACK BEAR SPORTS GROUP, last visited Dec. 12, 2025.

[49] *PG Showcase*, PERFECT GAME, last visited Dec. 12, 2025.

[50] Press Release, *700+ 3STEP Athletes Sign Letters of Intent*, 3STEP SPORTS (NOV. 17, 2024).

businesses that serve vulnerable populations, including children, the sick, and the elderly. Upon close scrutiny, I think it is clear that these are not the values we want managing youth sports.

The same concerns leading to scrutiny of private equity in healthcare and nursing homes apply with equal or greater force to youth sports. Children's recreational activities should not be vehicles for financial engineering and wealth extraction. Though the term "private equity" can capture a broad range of investment firms, Congress can, and should, police their practices. To start, acquisitions and mergers in youth sports should face heightened scrutiny and mandatory reporting requirements. Better yet would be bans on vertical integration, serial acquisitions, and sale-leasebacks and transparent accounting standards that mandate disclosure of executive pay, debts, spending, and dividends. This could include outlawing simultaneous financial stakes in vertical and ancillary markets coupled with requirements that facilities are available to teams and leagues on equal terms.

On the consumer protection side, youth sports organizations should be required to provide transparent, itemized pricing for all services; disclose all fees upfront; and prohibit mandatory purchases of ancillary services as conditions of participation. Finally, companies should be barred from receiving kickbacks from hotels, streaming services, or other vendors whose services they require families to use.

At the same time, federal antitrust agencies must scrutinize consolidation in youth sports with the same vigor applied to other industries. The Department of Justice and Federal Trade Commission should investigate anticompetitive practices by dominant firms—including exclusive dealing arrangements, vertical integration schemes, serial acquisitions and collusion with nominally independent governing bodies—and use their existing tools in the Sherman Act, the Clayton Act, and the FTC Act to launch 6(b) studies and challenge not only private equity's monopolies, cartels, and interlocking directorates but also the deceptive practices they use to lure in and trap parents. Breaking up the consolidation of youth sports will allow new entrants, at a local level, to field community teams that are affordable for families and beneficial to kids.

V. Conclusion

Youth sports should not be a luxury good. It has long been a fundamental part of childhood, community life, and American identity. When we allow private equity to commodify it and to turn children's recreation into a profit-extraction scheme, we fail in our most basic obligations as a society. More than that, we undermine American democracy itself by creating a system where opportunity is determined by wealth rather than merit or effort.

I urge this subcommittee to take bold action to save youth sports from a ravenous private equity industry. Our children deserve better than a childhood for sale to the highest bidder. They deserve an America where kids can play sports regardless of their parents' income, where community matters more than profit margins, and where sports are about joy, not extraction. We all do. These recommendations do not apply only to youth sports. We need to have economy-wide rules for private equity firms to stop the profit extraction that is taking over our lives and hurting our most vulnerable populations.

Thank you, and I welcome your questions.