

Drew Brees Salary Dispute Highlights Ins and Outs of NFL Franchise Rules

by Anthony Caruso on June 15, 2012

Like all veteran NFL players, Drew Brees wants a lucrative, long-term contract. Accordingly, the quarterback was less than happy to be designated with the franchise tag by the New Orleans Saints this off-season.

The resulting legal dispute over whether Brees is actually eligible for the franchise tag highlights the ins and outs of the NFL's franchise tag rules. In addition, it shows that the league and the NFL Players Association aren't always sure how they work.

Under the current NFL salary rules, teams can designate one unrestricted free agent as their franchise player. Earlier this off-season, the Saints designated Brees as their franchise player. Under his exclusive franchise tender, the Saints must pay Brees the average of the five largest quarterback salaries for this year or 120% of the player's prior year salary, whichever is greater. Since the tag is exclusive, Brees cannot negotiate with other teams, and the Saints have until July 15th to finalize a multi-year deal.

While the two sides work to come up with a long-term deal, the players' union is reportedly seeking a decision and/or clarification regarding language in the current collective bargaining agreement regarding how the number of franchise tags is calculated. The issue is important because the San Diego Chargers previously franchised Brees in 2005.

The relevant provision of the CBA states "any club that designates a player for the third time ..." The language is important because while this would be the second franchise tag of Brees' career, it would be the first time he was designated by the Saints.

The arbitrator's decision could dramatically impact long-term contract negotiations between the two sides because when a team franchises a player a third time, he must be paid 144% of his salary from the previous year. This would be a substantial pay increase should the Saints tag Brees again. According to ESPN.com, Brees' current tag is worth \$16.371 million. Meanwhile, a 144 percent bump would put Brees' cap number at \$23,574,240.

As this sports dispute highlights, collective bargaining rules often have a significant impact on salary negotiations in professional sports. As a result, it is important to have an experienced sports attorney who knows the rules and can use them to your advantage.