



## ATTORNEY GENERAL RAOUL AND BIPARTISAN ALLIES SCORE MAJOR WIN FOR COLLEGE ATHLETES

May 30, 2024

Chicago – Attorney General Kwame Raoul, along with the offices of 10 state attorneys general and the U.S. Department of Justice (DOJ), announced a landscape-changing settlement with the National Collegiate Athletic Association (NCAA) that permanently eases restrictions on Division I college athletes who have transferred schools multiple times and otherwise enhances their rights and opportunities.

Raoul and the bipartisan coalition's agreement, which must be approved by the U.S. District Court for the Northern District of West Virginia, removes what the coalition views as an illegal restraint on the athletes' ability to market their labor and control their education.

"This settlement brings fairness to a flawed system and ensures the needs of collegiate athletes and their families are prioritized and respected," Raoul said. "I will continue to advocate with fellow attorneys general to protect these rights."

At issue was the NCAA's transfer eligibility rule, which required athletes who transferred among Division I schools to wait one year before competing in games unless the NCAA granted them a waiver. Although it never changed its rule, the NCAA in 2021 began automatically exempting first-time transfers from the regulation. Simultaneously, it continued to enforce the rule for subsequent transfers and to deny waivers for no legitimate reason.

This uneven and arbitrary enforcement prompted Raoul and fellow state attorneys general to <u>sue the NCAA in December</u>, accusing it of violating antitrust laws with its unfair restrictions on second-time transfers. Raoul and the coalition, who were quickly joined in the lawsuit by the DOJ, maintained that the rule infringes on the athletes' ability to freely move to schools where they may have opportunities to compete.

Following the lawsuit, The U.S. District Court for the Northern District of West Virginia granted the states' request for a preliminary injunction, forbidding the NCAA from enforcing the transfer rule through at least the spring sports season, which just ended.

The proposed settlement announced today makes permanent the judge's decision in favor of the athletes.

In addition to ensuring athletes' autonomy, the agreement:

- Prevents retaliation from the NCAA against member institutions and athletes who challenge the rule or support those who do. This includes safeguarding student athletes' rights to compete during legal proceedings without fear of punitive actions from the NCAA.
- Requires the NCAA to grant an additional year of eligibility to Division I athletes who for any reason were
  previously deemed ineligible under the transfer eligibility rule since the 2019-20 academic year.
- Prohibits the NCAA from undermining or circumventing these changes through future actions, rules or
  policies, thereby ensuring college athletes' rights and freedoms.
- Establishes the court's continuing jurisdiction to enforce its terms and resolve any disputes that may arise.

Attorney General Raoul was joined in this agreement by the attorneys general of Colorado, the District of Columbia, Minnesota, Mississippi, New York, North Carolina, Ohio, Tennessee, Virginia and West Virginia, as well as the DOJ.

Bureau Chief Elizabeth L. Maxeiner and Assistant Attorneys General Brian M. Yost and Daniel R. Betancourt are handling the litigation for Raoul's Antitrust Bureau.