Phil Weiser

COLORADO ATTORNEY GENERAL

FILE A COMPLAINT

Attorney General Phil Weiser and allies score major win for college student athletes

May 30, 2024 (DENVER) – Attorney General Phil Weiser today joined with attorneys general from across the country and the U.S. Department of Justice in announcing a landscape-changing settlement with the National Collegiate Athletic Association that permanently eases restrictions on Division I college athletes who have transferred schools multiple times and enhances their rights and opportunities.

The agreement, which must be approved by U.S. District Judge John Preston Bailey of the Northern District of West Virginia, removes what the coalition views as an illegal restraint on the ability of student athletes to market their labor and control their education.

"Student athletes deserve to be treated fairly and not sidelined because of a coaching change or other circumstances beyond their control. Freedom to pursue opportunities is an American ideal and a core tenet of the antitrust laws. The NCAA's effort to unjustifiably undermine that principle for students looking to transfer will end as a result of this settlement," said Weiser.

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 they were granted 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 the state attorneys general to sue the NCAA in December, accusing the agency of violating antitrust laws with its unfair restrictions on second-transfers. The states, which were joined in the lawsuit by the Justice Department, maintained the rule infringes on the ability of athletes to freely move to another school where they may have opportunities to compete.

Judge Bailey 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.

<u>The proposed settlement announced today</u> makes permanent the judge's decision in favor of the athletes. In addition to ensuring athletes' autonomy, the agreement also:

- 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 its provisions 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.

Also signing onto the agreement are the attorneys general of Ohio, Illinois, Minnesota, Mississippi, New York, North Carolina, Tennessee, Virginia, West Virginia, and the District of Columbia, as well as the Justice Department.

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