

Attorney General Raoul Files Lawsuit Challenging NCAA Transfer Eligibility Rule

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CHICAGO - Attorney General Kwame Raoul today filed a federal antitrust lawsuit challenging the National Collegiate Athletic Association's (NCAA) transfer eligibility rule as an illegal restraint on college athletes' ability to market their labor and control their education.

The NCAA rule requires college athletes who transfer among Division I schools to wait one year before competing in games, unless the NCAA waives the rule for a particular athlete. The NCAA began automatically exempting first-time transfers from the regulation in 2021 but has continued to enforce the rule for subsequent transfers and deny waivers for no legitimate reason.

Raoul and a bipartisan coalition of six attorneys general filed their lawsuit today in U.S. District Court for the Northern District of West Virginia seeking a temporary restraining order and preliminary injunction to keep the NCAA from enforcing the rule.

“The Transfer Eligibility Rule unfairly restricts collegiate athletes and is not implemented in a consistent and straightforward way that is easy for athletes and their families to understand,” Raoul said. “I filed this lawsuit to bring fairness to this flawed system and ensure the needs of collegiate athletes and their families are prioritized and respected.”

Since its founding in 1906, the NCAA has expanded its rulebook beyond field contests to regulate off-the-field competition among its member institutions and manage the burgeoning business of collegiate sports. Some regulations are essential for the administration of college sports, the coalition’s lawsuit acknowledges. However, Raoul and the attorneys general argue, certain rules lacking a clear procompetitive benefit may run afoul of the nation’s antitrust laws, which are rooted in the belief that market forces yield the best outcomes.

In justifying the one-year waiting period for second-time transfers, the NCAA cites the promotion of academic well-being and the preservation of athletic amateurism. Raoul and the coalition call the connection between the rule and these goals “pretextual”; note that these purported goals can be accomplished through less-restrictive means; and argue that the harm it does to athletes, universities, and fans far exceeds any supposed benefits.

According to Raoul and the coalition, the one-year waiting period constitutes 20% of the total time allotted by NCAA regulations for the completion of a college athlete’s full eligibility – and, as such, could prove devastating for athletes seeking to optimize their career and welfare by transferring to schools that better suit them.

The NCAA often describes the college athlete experience as transformative, with competition playing a key role. By preventing students from competing, however, it hinders the full realization of this experience. Students deprived of the opportunity to compete in their chosen sports are denied the benefits that competition offers in preparing them for life, as acknowledged by the NCAA, and often suffer financial harm.

Joining Raoul in filing the lawsuit are the attorneys general of Colorado, New York, North Carolina, Ohio, Tennessee and West Virginia.