WEST VIRGINIA LEGISLATURE

2018 REGULAR SESSION

Introduced

House Bill 4446



By Delegates Storch, Ferro, Barrett, Ellington,

R. ROMINE AND HAMRICK

[Introduced February 6, 2018; Referred

to the Committee on the Judiciary then Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article, designated §21-17-1, §21-17-2, §21-17-3, §21-17-4, §21-17-5, §21-17-6, §21-17-7, §21-2 3 17-8, §21-17-9, §21-17-10, §21-17-11, §21-17-12, §21-17-13, §21-17-14, §21-17-15, §21-4 17-16, §21-17-17, §21-17-18, §21-17-19, and §21-17-20, all relating to creating the 5 Revised Uniform Athlete Agents Act; creating short title; defining terms; requiring 6 registration for athlete agent; voiding contracts if athlete agent not registered; creating 7 application process and requirements for athlete agents; establishing reciprocal 8 registration if certain conditions are met; providing authority of secretary to issue or deny 9 applications; providing renewal requirements; providing power of secretary to suspend, 10 revoke, or refuse to renew registration; providing for temporary registration; establishing 11 fees; requiring terms for validity of contract; requiring notice to educational institution; 12 providing student right to cancel contract within specified period; requiring athlete agent 13 retain certain records; establishing prohibited conduct of athlete agent; establishing 14 criminal penalties; establishing civil remedies for violations of act; establishing civil 15 penalties; requiring uniformity of application in construction of act; establishing relation to 16 the Electronic Signatures In Global And National Commerce Act; and providing 17 severability.

Be it enacted by the Legislature of West Virginia:

ARTICLE 17. REVISED UNIFORM ATHLETE AGENTS ACT.

§21-17-1. Short title.

1 This article may be cited as the Revised Uniform Athlete Agents Act (2015).

- §21-17-2. Definitions.
- 1 <u>In this article:</u>
- 2 (1) "Agency contract" means an agreement in which a student athlete authorizes a person

3 to negotiate or solicit on behalf of the athlete a professional-sports-services contract or

4 <u>endorsement contract.</u>

2018R1854

5	(2) "Athlete agent":
6	(A) Means an individual, whether or not registered under this article, who:
7	(i) Directly or indirectly recruits or solicits a student athlete to enter into an agency contract
8	or, for compensation, procures employment or offers, promises, attempts, or negotiates to obtain
9	employment for a student athlete as a professional athlete or member of a professional sports
10	team or organization;
11	(ii) For compensation or in anticipation of compensation related to a student athlete's
12	participation in athletics:
13	(I) Serves the athlete in an advisory capacity on a matter related to finances, business
14	pursuits, or career management decisions, unless the individual is an employee of an educational
15	institution acting exclusively as an employee of the institution for the benefit of the institution; or
16	(II) Manages the business affairs of the athlete by providing assistance with bills,
17	payments, contracts, or taxes; or
18	(iii) In anticipation of representing a student athlete for a purpose related to the athlete's
19	participation in athletics:
20	(I) Gives consideration to the student athlete or another person;
21	(II) Serves the athlete in an advisory capacity on a matter related to finances, business
22	pursuits, or career management decisions; or
23	(III) Manages the business affairs of the athlete by providing assistance with bills,
24	payments, contracts, or taxes; but
25	(B) Does not include an individual who:
26	(i) Acts solely on behalf of a professional sports team or organization; or
27	(ii) Is a licensed, registered, or certified professional and offers or provides services to a
28	student athlete customarily provided by members of the profession, unless the individual:
29	(I) Also recruits or solicits the athlete to enter into an agency contract;
30	(II) Also, for compensation, procures employment or offers, promises, attempts, or

2018R1854

- 31 <u>negotiates to obtain employment for the athlete as a professional athlete or member of a</u>
- 32 professional sports team or organization; or
- 33 (III) Receives consideration for providing the services calculated using a different method
- 34 than for an individual who is not a student athlete.
- 35 (3) "Athletic director" means the individual responsible for administering the overall athletic
- 36 program of an educational institution or, if an educational institution has separately administered
- 37 <u>athletic programs for male students and female students, the athletic program for males or the</u>
- 38 <u>athletic program for females, as appropriate.</u>
- 39 (4) "Educational institution" includes a public or private elementary school, secondary
- 40 <u>school, technical or vocational school, community college, college, and university.</u>
- 41 (5) "Endorsement contract" means an agreement under which a student athlete is
- 42 <u>employed or receives consideration to use on behalf of the other party any value that the athlete</u>
- 43 may have because of publicity, reputation, following, or fame obtained because of athletic ability
- 44 <u>or performance.</u>
- 45 (6) "Enrolled" means registered for courses and attending athletic practice or class.
- 46 <u>"Enrolls" has a corresponding meaning.</u>
- 47 (7) "Intercollegiate sport" means a sport played at the collegiate level for which eligibility
- 48 requirements for participation by a student athlete are established by a national association that
- 49 promotes or regulates collegiate athletics.
- 50 (8) "Interscholastic sport" means a sport played between educational institutions that are
- 51 not community colleges, colleges, or universities.
- (9) "Licensed, registered, or certified professional" means an individual licensed,
 registered, or certified as an attorney, dealer in securities, financial planner, insurance agent, real
 estate broker or sales agent, tax consultant, accountant, or member of a profession, other than
 that of athlete agent, who is licensed, registered, or certified by the state or a nationally recognized
- 56 organization that licenses, registers, or certifies members of the profession on the basis of

57	experience, education, or testing.
58	(10) "Person" means an individual, estate, business or nonprofit entity, public corporation,
59	government or governmental subdivision, agency, or instrumentality, or other legal entity.
60	(11) "Professional-sports-services contract" means an agreement under which an
61	individual is employed as a professional athlete or agrees to render services as a player on a
62	professional sports team or with a professional sports organization.
63	(12) "Record" means information that is inscribed on a tangible medium or that is stored
64	in an electronic or other medium and is retrievable in perceivable form.
65	(13) "Recruit or solicit" means attempt to influence the choice of an athlete agent by a
66	student athlete or, if the athlete is a minor, a parent or guardian of the athlete. The term does not
67	include giving advice on the selection of a particular agent in a family, coaching, or social situation
68	unless the individual giving the advice does so because of the receipt or anticipated receipt of an
69	economic benefit, directly or indirectly, from the agent.
70	(14) "Registration" means registration as an athlete agent under this article.
71	(15) "Sign" means, with present intent to authenticate or adopt a record:
72	(A) To execute or adopt a tangible symbol; or
73	(B) To attach to or logically associate with the record an electronic symbol, sound, or
74	process.
75	(16) "State" means a state of the United States, the District of Columbia, Puerto Rico, the
76	United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the
77	United States.
78	(17) "Student athlete" means an individual who is eligible to attend an educational
79	institution and engages in, is eligible to engage in, or may be eligible in the future to engage in,
80	any interscholastic or intercollegiate sport. The term does not include an individual permanently
81	ineligible to participate in a particular interscholastic or intercollegiate sport for that sport.

§21-17-3. Secretary of the State Athletic Commission; authority; procedure.

2018R1854

1 (a) The Secretary of the State Athletic Commission may promulgate rules necessary to 2 implement this article. 3 (b) By acting as an athlete agent in this state, a nonresident individual appoints the 4 Secretary of the State Athletic Commission as the individual's agent for service of process in any 5 civil action in this state related to the individual acting as an athlete agent in this state. 6 (c) The Secretary of the State Athletic Commission may issue a subpoena for material 7 that is relevant to the administration of this article. §21-17-4. Athlete agent: registration required; void contract. 1 (a) Except as otherwise provided in subsection (b), an individual may not act as an athlete 2 agent in this state without holding a certificate of registration under this article. 3 (b) Before being issued a certificate of registration under this article an individual may act 4 as an athlete agent in this state for all purposes except signing an agency contract, if: 5 (1) A student athlete or another person acting on behalf of the athlete initiates 6 communication with the individual; and 7 (2) Not later than seven days after an initial act that requires the individual to register as 8 an athlete agent, the individual submits an application for registration as an athlete agent in this 9 state. 10 (c) An agency contract resulting from conduct in violation of this section is void, and the 11 athlete agent shall return any consideration received under the contract. §21-17-5. Registration as athlete agent; application; requirements; reciprocal registration. 1 (a) An applicant for registration as an athlete agent shall submit an application for registration to the Secretary of the State Athletic Commission in a form prescribed by the 2 Secretary of the State Athletic Commission. The applicant must be an individual, and the 3 4 application must be signed by the applicant under penalty of perjury. The application must contain 5 at least the following: 6 (1) The name and date and place of birth of the applicant and the following contact

7	information for the applicant:
8	(A) The address of the applicant's principal place of business;
9	(B) Work and mobile telephone numbers; and
10	(C) Any means of communicating electronically, including a facsimile number, electronic-
11	mail address, and personal and business or employer websites;
12	(2) The name of the applicant's business or employer, if applicable, including for each
13	business or employer, its mailing address, telephone number, organization form, and the nature
14	of the business;
15	(3) Each social-media account with which the applicant or the applicant's business or
16	employer is affiliated;
17	(4) Each business or occupation in which the applicant engaged within five years before
18	the date of the application, including self-employment and employment by others, and any
19	professional or occupational license, registration, or certification held by the applicant during that
20	<u>time;</u>
21	(5) A description of the applicant's:
22	(A) Formal training as an athlete agent;
23	(B) Practical experience as an athlete agent; and
24	(C) Educational background relating to the applicant's activities as an athlete agent;
25	(6) The name of each student athlete for whom the applicant acted as an athlete agent
26	within five years before the date of the application or, if the individual is a minor, the name of the
27	parent or guardian of the minor, together with the athlete's sport and last-known team;
28	(7) The name and address of each person that:
29	(A) Is a partner, member, officer, manager, associate, or profit sharer or directly or
30	indirectly holds an equity interest of five percent or greater of the athlete agent's business if it is
31	not a corporation; and

32 (B) Is an officer or director of a corporation employing the athlete agent or a shareholder

2018R1854

33 having an interest of five percent or greater in the corporation; 34 (8) A description of the status of any application by the applicant, or any person named 35 under subdivision (7) of this subsection, for a state or federal business, professional, or 36 occupational license, other than as an athlete agent, from a state or federal agency, including any 37 denial, refusal to renew, suspension, withdrawal, or termination of the license and any reprimand 38 or censure related to the license; 39 (9) Whether the applicant, or any person named under subdivision (7) of this subsection, 40 has pleaded guilty or no contest to, has been convicted of, or has charges pending for, a crime 41 that would involve moral turpitude or be a felony if committed in this state and, if so, identification 42 <u>of:</u> 43 (A) The crime; 44 (B) The law-enforcement agency involved; and 45 (C) If applicable, the date of the conviction and the fine or penalty imposed; 46 (10) Whether, within 15 years before the date of application, the applicant, or any person 47 named under subdivision (7) of this subsection, has been a defendant or respondent in a civil 48 proceeding, including a proceeding seeking an adjudication of [legal incompetence] and, if so, the 49 date and a full explanation of each proceeding; 50 (11) Whether the applicant, or any person named under subdivision (7) of this subsection, 51 has an unsatisfied judgment or a judgment of continuing effect, including alimony or a domestic 52 order in the nature of child support, which is not current at the date of the application; 53 (12) Whether, within ten years before the date of application, the applicant, or any person 54 named under subdivision (7) of this subsection, was adjudicated bankrupt or was an owner of a 55 business that was adjudicated bankrupt; 56 (13) Whether there has been any administrative or judicial determination that the 57 applicant, or any person named under subdivision (7) of this subsection, made a false, misleading, 58 deceptive, or fraudulent representation;

2018R1854

59	(14) Each instance in which conduct of the applicant, or any person named under
60	subdivision (7) of this subsection, resulted in the imposition of a sanction, suspension, or
61	declaration of ineligibility to participate in an interscholastic, intercollegiate, or professional athletic
62	event on a student athlete or a sanction on an educational institution;
63	(15) Each sanction, suspension, or disciplinary action taken against the applicant, or any
64	person named under subdivision (7) of this subsection, arising out of occupational or professional
65	<u>conduct;</u>
66	(16) Whether there has been a denial of an application for, suspension or revocation of,
67	refusal to renew, or abandonment of, the registration of the applicant, or any person named under
68	subdivision (7) of this subsection, as an athlete agent in any state;
69	(17) Each state in which the applicant currently is registered as an athlete agent or has
70	applied to be registered as an athlete agent;
71	(18) If the applicant is certified or registered by a professional league or players
72	association:
72 73	association: (A) The name of the league or association;
73	(A) The name of the league or association;
73 74	(A) The name of the league or association; (B) The date of certification or registration, and the date of expiration of the certification or
73 74 75	(A) The name of the league or association; (B) The date of certification or registration, and the date of expiration of the certification or registration, if any; and
73 74 75 76	 (A) The name of the league or association; (B) The date of certification or registration, and the date of expiration of the certification or registration, if any; and (C) If applicable, the date of any denial of an application for, suspension or revocation of,
73 74 75 76 77	 (A) The name of the league or association; (B) The date of certification or registration, and the date of expiration of the certification or registration, if any; and (C) If applicable, the date of any denial of an application for, suspension or revocation of, refusal to renew, withdrawal of, or termination of, the certification or registration or any reprimand
73 74 75 76 77 78	 (A) The name of the league or association; (B) The date of certification or registration, and the date of expiration of the certification or registration, if any; and (C) If applicable, the date of any denial of an application for, suspension or revocation of, refusal to renew, withdrawal of, or termination of, the certification or registration or any reprimand or censure related to the certification or registration; and
73 74 75 76 77 78 79	 (A) The name of the league or association; (B) The date of certification or registration, and the date of expiration of the certification or registration, if any; and (C) If applicable, the date of any denial of an application for, suspension or revocation of, refusal to renew, withdrawal of, or termination of, the certification or registration or any reprimand or censure related to the certification or registration; and (19) Any additional information required by the Secretary of the State Athletic Commission.
73 74 75 76 77 78 79 80	 (A) The name of the league or association; (B) The date of certification or registration, and the date of expiration of the certification or registration, if any; and (C) If applicable, the date of any denial of an application for, suspension or revocation of, refusal to renew, withdrawal of, or termination of, the certification or registration or any reprimand or censure related to the certification or registration; and (19) Any additional information required by the Secretary of the State Athletic Commission. (b) Instead of proceeding under subsection (a) of this section, an individual registered as
 73 74 75 76 77 78 79 80 81 	 (A) The name of the league or association; (B) The date of certification or registration, and the date of expiration of the certification or registration, if any; and (C) If applicable, the date of any denial of an application for, suspension or revocation of, refusal to renew, withdrawal of, or termination of, the certification or registration or any reprimand or censure related to the certification or registration; and (19) Any additional information required by the Secretary of the State Athletic Commission. (b) Instead of proceeding under subsection (a) of this section, an individual registered as an athlete agent in another state may apply for registration as an athlete agent in this state by

2018R1854

85	verifies there is no material change in the information, signed under penalty of perjury; and
86	(3) A copy of the certificate of registration from the other state.
87	(c) The Secretary of the State Athletic Commission shall issue a certificate of registration
88	to an individual who applies for registration under subsection (b) of this section if the Secretary of
89	the State Athletic Commission determines:
90	(1) The application and registration requirements of the other state are substantially similar
91	to or more restrictive than this article; and
92	(2) The registration has not been revoked or suspended and no action involving the
93	individual's conduct as an athlete agent is pending against the individual or the individual's
94	registration in any state.
95	(d) For purposes of implementing subsection (c) of this section, the Secretary of the State
96	Athletic Commission shall:
97	(1) Cooperate with national organizations concerned with athlete agent issues and
98	agencies in other states which register athlete agents to develop a common registration form and
99	determine which states have laws that are substantially similar to or more restrictive than this
100	article; and
101	(2) Exchange information, including information related to actions taken against registered
102	athlete agents or their registrations, with those organizations and agencies.
	§21-17-6. Certificate of registration; issuance or denial; renewal.
1	(a) Except as otherwise provided in subsection (b) of this section, the Secretary of the
2	State Athletic Commission shall issue a certificate of registration to an applicant for registration
3	who complies with §21-17-5(a) of this code.
4	(b) The Secretary of the State Athletic Commission may refuse to issue a certificate of
5	registration to an applicant for registration under §21-17-5(a) of this code if the Secretary of the
6	State Athletic Commission determines that the applicant has engaged in conduct that significantly
7	adversely reflects on the applicant's fitness to act as an athlete agent. In making the

2018R1854

8	determination, the Secretary of the State Athletic Commission may consider whether the applicant
9	has:
10	(1) Pleaded guilty or no contest to, has been convicted of, or has charges pending for, a
11	crime that would involve moral turpitude or be a felony if committed in this state;
12	(2) Made a materially false, misleading, deceptive, or fraudulent representation in the
13	application or as an athlete agent;
14	(3) Engaged in conduct that would disqualify the applicant from serving in a fiduciary
15	capacity;
16	(4) Engaged in conduct prohibited by §21-17-14 of this code;
17	(5) Had a registration as an athlete agent suspended, revoked, or denied in any state;
18	(6) Been refused renewal of registration as an athlete agent in any state;
19	(7) Engaged in conduct resulting in imposition of a sanction, suspension, or declaration of
20	ineligibility to participate in an interscholastic, intercollegiate, or professional athletic event on a
21	student athlete or a sanction on an educational institution; or
22	(8) Engaged in conduct that adversely reflects on the applicant's credibility, honesty, or
23	integrity.
24	(c) In making a determination under subsection (b) of this section, the Secretary of the
25	State Athletic Commission shall consider:
26	(1) How recently the conduct occurred;
27	(2) The nature of the conduct and the context in which it occurred; and
28	(3) Other relevant conduct of the applicant.
29	(d) An athlete agent registered under subsection (a) of this section may apply to renew
30	the registration by submitting an application for renewal in a form prescribed by the Secretary of
31	the State Athletic Commission. The applicant shall sign the application for renewal under penalty
32	of perjury and include current information on all matters required in an original application for
33	registration.

34	(e) An athlete agent registered under §21-17-5(c) of this code may renew the registration
35	by proceeding under subsection (d) of this section or, if the registration in the other state has been
36	renewed, by submitting to the Secretary of the State Athletic Commission copies of the application
37	for renewal in the other state and the renewed registration from the other state. The Secretary of
38	the State Athletic Commission shall renew the registration if the Secretary of the State Athletic
39	Commission determines:
40	(1) The registration requirements of the other state are substantially similar to or more
41	restrictive than this article; and
42	(2) The renewed registration has not been suspended or revoked and no action involving
43	the individual's conduct as an athlete agent is pending against the individual or the individual's
44	registration in any state.
45	(f) A certificate of registration or renewal of registration under this article is valid for two
46	<u>vears.</u>
	§21-17-7. Suspension, revocation, or refusal to renew registration.
1	§21-17-7. Suspension, revocation, or refusal to renew registration. (a) The Secretary of the State Athletic Commission may limit, suspend, revoke, or refuse
1 2	
	(a) The Secretary of the State Athletic Commission may limit, suspend, revoke, or refuse
2	(a) The Secretary of the State Athletic Commission may limit, suspend, revoke, or refuse to renew a registration of an individual registered under §21-17-6(a) of this code for conduct that
2 3	(a) The Secretary of the State Athletic Commission may limit, suspend, revoke, or refuse to renew a registration of an individual registered under §21-17-6(a) of this code for conduct that would have justified refusal to issue a certificate of registration under §21-17-6(b) of this code.
2 3 4	(a) The Secretary of the State Athletic Commission may limit, suspend, revoke, or refuse to renew a registration of an individual registered under §21-17-6(a) of this code for conduct that would have justified refusal to issue a certificate of registration under §21-17-6(b) of this code. (b) The Secretary of the State Athletic Commission may suspend or revoke the registration
2 3 4 5	 (a) The Secretary of the State Athletic Commission may limit, suspend, revoke, or refuse to renew a registration of an individual registered under §21-17-6(a) of this code for conduct that would have justified refusal to issue a certificate of registration under §21-17-6(b) of this code. (b) The Secretary of the State Athletic Commission may suspend or revoke the registration of an individual registered under §21-17-5(c) of this code or renewed under §21-17-6(e) of this
2 3 4 5 6	(a) The Secretary of the State Athletic Commission may limit, suspend, revoke, or refuse to renew a registration of an individual registered under §21-17-6(a) of this code for conduct that would have justified refusal to issue a certificate of registration under §21-17-6(b) of this code. (b) The Secretary of the State Athletic Commission may suspend or revoke the registration of an individual registered under §21-17-5(c) of this code or renewed under §21-17-6(e) of this code for any reason for which the Secretary of the State Athletic Commission could have refused
2 3 4 5 6 7	(a) The Secretary of the State Athletic Commission may limit, suspend, revoke, or refuse to renew a registration of an individual registered under §21-17-6(a) of this code for conduct that would have justified refusal to issue a certificate of registration under §21-17-6(b) of this code. (b) The Secretary of the State Athletic Commission may suspend or revoke the registration of an individual registered under §21-17-5(c) of this code or renewed under §21-17-6(e) of this code for any reason for which the Secretary of the State Athletic Commission could have refused to grant or renew registration or for conduct that would justify refusal to issue a certificate of
2 3 4 5 6 7	(a) The Secretary of the State Athletic Commission may limit, suspend, revoke, or refuse to renew a registration of an individual registered under §21-17-6(a) of this code for conduct that would have justified refusal to issue a certificate of registration under §21-17-6(b) of this code. (b) The Secretary of the State Athletic Commission may suspend or revoke the registration of an individual registered under §21-17-5(c) of this code or renewed under §21-17-6(e) of this code for any reason for which the Secretary of the State Athletic Commission could have refused to grant or renew registration or for conduct that would justify refusal to issue a certificate of registration under §21-17-6(b) of this code.
2 3 4 5 6 7 8	(a) The Secretary of the State Athletic Commission may limit, suspend, revoke, or refuse to renew a registration of an individual registered under §21-17-6(a) of this code for conduct that would have justified refusal to issue a certificate of registration under §21-17-6(b) of this code. (b) The Secretary of the State Athletic Commission may suspend or revoke the registration of an individual registered under §21-17-5(c) of this code or renewed under §21-17-6(e) of this code for any reason for which the Secretary of the State Athletic Commission could have refused to grant or renew registration or for conduct that would justify refusal to issue a certificate of registration under §21-17-6(b) of this code. §21-17-8. Temporary Registration.

§21-17-9. Registration and Renewal Fees.

1 <u>An application for registration or renewal of registration as an athlete agent must be</u>

2 accompanied by a fee in the following amount:

- 3 (1) \$1,000 for an initial application for registration;
- 4 (2) \$750 for registration based on a certificate of registration issued by another state;
- 5 (3) \$350 for an application for renewal of registration; or
- 6 (4) \$250 for renewal of registration based on a renewal of registration in another state.

§21-17-10. Required form of agency contract.

- 1 (a) An agency contract must be in a record signed by the parties.
- 2 (b) An agency contract must contain:
- 3 (1) A statement that the athlete agent is registered as an athlete agent in this state and a
- 4 list of any other states in which the agent is registered as an athlete agent;
- 5 (2) The amount and method of calculating the consideration to be paid by the student
- 6 <u>athlete for services to be provided by the agent under the contract and any other consideration</u>
- 7 the agent has received or will receive from any other source for entering into the contract or
- 8 providing the services;
- 9 (3) The name of any person not listed in the agent's application for registration or renewal
- 10 of registration which will be compensated because the athlete signed the contract;
- 11 (4) A description of any expenses the athlete agrees to reimburse;
- 12 (5) A description of the services to be provided to the athlete;
- 13 (6) The duration of the contract; and
- 14 (7) The date of execution.
- 15 (c) Subject to subsection (g) of this section, an agency contract must contain a
- 16 <u>conspicuous notice in boldface type and in substantially the following form:</u>
- 17 WARNING TO STUDENT ATHLETE
- 18 IF YOU SIGN THIS CONTRACT:

19	(1) YOU MAY LOSE YOUR ELIGIBILITY TO COMPETE AS A STUDENT ATHLETE IN
20	YOUR SPORT;
21	(2) IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN 72 HOURS AFTER SIGNING
22	THIS CONTRACT OR BEFORE THE NEXT SCHEDULED ATHLETIC EVENT IN WHICH YOU
23	PARTICIPATE, WHICHEVER OCCURS FIRST, BOTH YOU AND YOUR ATHLETE AGENT
24	MUST NOTIFY YOUR ATHLETIC DIRECTOR THAT YOU HAVE ENTERED INTO THIS
25	CONTRACT AND PROVIDE THE NAME AND CONTACT INFORMATION OF THE ATHLETE
26	AGENT; AND
27	(3) YOU MAY CANCEL THIS CONTRACT WITHIN 14 DAYS AFTER SIGNING IT.
28	CANCELLATION OF THIS CONTRACT MAY NOT REINSTATE YOUR ELIGIBILITY AS A
29	STUDENT ATHLETE IN YOUR SPORT.
30	(d) An agency contract must be accompanied by a separate record signed by the student
31	athlete or, if the athlete is a minor, the parent or guardian of the athlete acknowledging that signing
32	the contract may result in the loss of the athlete's eligibility to participate in the athlete's sport.
33	(e) A student athlete or, if the athlete is a minor, the parent or guardian of the athlete may
34	void an agency contract that does not conform to this section. If the contract is voided, any
35	consideration received from the athlete agent under the contract to induce entering into the
36	contract is not required to be returned.
37	(f) At the time an agency contract is executed, the athlete agent shall give the student
38	athlete or, if the athlete is a minor, the parent or guardian of the athlete a copy in a record of the
39	contract and the separate acknowledgement required by subsection (d) of this section.
40	(g) If a student athlete is a minor, an agency contract must be signed by the parent or
41	guardian of the minor and the notice required by subsection (c) of this section must be revised
42	accordingly.
	§21-17-11. Notice to educational institution.

1 (a) In this section, "communicating or attempting to communicate" means contacting or

2018R1854

2	attempting to contact by an in-person meeting, a record, or any other method that conveys or
3	attempts to convey a message.
4	(b) Not later than 72 hours after entering into an agency contract or before the next
5	scheduled athletic event in which the student athlete may participate, whichever occurs first, the
6	athlete agent shall give notice in a record of the existence of the contract to the athletic director
7	of the educational institution at which the athlete is enrolled or at which the agent has reasonable
8	grounds to believe the athlete intends to enroll.
9	(c) Not later than 72 hours after entering into an agency contract or before the next
10	scheduled athletic event in which the student athlete may participate, whichever occurs first, the
11	athlete shall inform the athletic director of the educational institution at which the athlete is enrolled
12	that the athlete has entered into an agency contract and the name and contact information of the
13	athlete agent.
14	(d) If an athlete agent enters into an agency contract with a student athlete and the athlete
15	subsequently enrolls at an educational institution, the agent shall notify the athletic director of the
16	institution of the existence of the contract not later than 72 hours after the agent knew or should
17	have known the athlete enrolled.
18	(e) If an athlete agent has a relationship with a student athlete before the athlete enrolls
19	in an educational institution and receives an athletic scholarship from the institution, the agent
20	shall notify the institution of the relationship not later than ten days after the enrollment if the agent
21	knows or should have known of the enrollment and:
22	(1) The relationship was motivated, in whole or part, by the intention of the agent to recruit
23	or solicit the athlete to enter an agency contract in the future; or
24	(2) The agent, directly or indirectly, recruited or solicited the athlete to enter an agency
25	contract before the enrollment.
26	(f) An athlete agent shall give notice in a record to the athletic director of any educational
27	institution at which a student athlete is enrolled before the agent communicates or attempts to

2018R1854

- 28 communicate with:
- 29 (1) The athlete or, if the athlete is a minor, a parent or guardian of the athlete, to influence
- 30 the athlete or parent or guardian to enter into an agency contract; or
- 31 (2) Another individual to have that individual influence the athlete or, if the athlete is a
- 32 minor, the parent or guardian of the athlete to enter into an agency contract.
- 33 (g) If a communication or attempt to communicate with an athlete agent is initiated by a
- 34 student athlete or another individual on behalf of the athlete, the agent shall notify in a record the
- 35 <u>athletic director of any educational institution at which the athlete is enrolled. The notification must</u>
- 36 be made not later than 10 days after the communication or attempt.
- 37 (h) An educational institution that becomes aware of a violation of this article by an athlete

38 agent shall notify the Secretary of the State Athletic Commission and any professional league or

- 39 players association with which the institution is aware the agent is licensed or registered of the
- 40 <u>violation.</u>

§21-17-12. Student athlete's right to cancel.

- 1 (a) A student athlete or, if the athlete is a minor, the parent or guardian of the athlete may
- 2 <u>cancel an agency contract by giving notice in a record of cancellation to the athlete agent not later</u>
- 3 than 14 days after the contract is signed.
- 4 (b) A student athlete or, if the athlete is a minor, the parent or guardian of the athlete may
- 5 not waive the right to cancel an agency contract.
- 6 (c) If a student athlete, parent, or guardian cancels an agency contract, the athlete, parent,
- 7 or guardian is not required to pay any consideration under the contract or return any consideration
- 8 received from the athlete agent to influence the athlete to enter into the contract.

§21-17-13. Required records.

- 1 (a) An athlete agent shall create and retain for five years records of the following:
- 2 (1) The name and address of each individual represented by the agent;
- 3 (2) Each agency contract entered into by the agent; and

2018R1854

4	(3) The direct costs incurred by the agent in the recruitment or solicitation of each student
5	athlete to enter into an agency contract.
6	(b) Records described in subsection (a) of this section are open to inspection by the
7	Secretary of the State Athletic Commission during normal business hours.
	<u>§21-17-14. Prohibited conduct.</u>
1	(a) An athlete agent, with the intent to influence a student athlete or, if the athlete is a
2	minor, a parent or guardian of the athlete to enter into an agency contract, may not take any of
3	the following actions or encourage any other individual to take or assist any other individual in
4	taking any of the following actions on behalf of the agent:
5	(1) Give materially false or misleading information or make a materially false promise or
6	representation:
7	(2) Furnish anything of value to the athlete before the athlete enters into the contract; or
8	(3) Furnish anything of value to an individual other than the athlete or another registered
9	athlete agent.
10	(b) An athlete agent may not intentionally do any of the following or encourage any other
11	individual to do any of the following on behalf of the agent:
12	(1) Initiate contact, directly or indirectly, with a student athlete or, if the athlete is a minor,
13	a parent or guardian of the athlete, to recruit or solicit the athlete, parent, or guardian to enter an
14	agency contract unless registered under this article;
15	(2) Fail to create or retain or to permit inspection of the records required by §21-17-13 of
16	this code;
17	(3) Fail to register when required by §21-17-4 of this code;
18	(4) Provide materially false or misleading information in an application for registration or
19	renewal of registration;
20	(5) Predate or postdate an agency contract; or
21	(6) Fail to notify a student athlete or, if the athlete is a minor, a parent or guardian of the

2018R1854

22	athlete, before the athlete, parent, or guardian signs an agency contract for a particular sport that
23	the signing may make the athlete ineligible to participate as a student athlete in that sport.
	§21-17-15. Criminal penalty.
1	An athlete agent who violates §21-17-14 of this code is guilty of a misdemeanor and, on
2	conviction, is punishable by a fine not exceeding \$100,000.
	§21-17-16. Civil remedy.
1	(a) An educational institution or student athlete may bring an action for damages against
2	an athlete agent if the institution or athlete is adversely affected by an act or omission of the agent
3	in violation of this article. An educational institution or student athlete is adversely affected by an
4	act or omission of the agent only if, because of the act or omission, the institution or an individual
5	who was a student athlete at the time of the act or omission and enrolled in the institution:
6	(1) Is suspended or disqualified from participation in an interscholastic or intercollegiate
7	sporting event by or under the rules of a state or national federation or association that promotes
8	or regulates interscholastic or intercollegiate sports; or
9	(2) Suffers financial damage.
10	(b) A plaintiff that prevails in an action under this section may recover actual damages,
11	treble damages, punitive damages, costs, and reasonable attorney's fees. An athlete agent found
12	liable under this section shall be deemed to have engaged in an unfair trade or deceptive practice
13	and forfeits any right of payment for anything of benefit or value provided to the student athlete
14	and shall refund any consideration paid to the agent by or on behalf of the athlete.
	<u>§21-17-17. Civil penalty.</u>
1	The Secretary of the State Athletic Commission may assess a civil penalty against an
2	athlete agent not to exceed \$50,000 for a violation of this article.
	§21-17-18. Uniformity of application and construction.
1	In applying and construing this uniform act, consideration must be given to the need to
2	promote uniformity of the law with respect to its subject matter among states that enact it.

§21-17-19. Relation to Electronic Signatures In Global And National Commerce Act.

- 1 This article modifies, limits, or supersedes the Electronic Signatures in Global and National
- 2 Commerce Act, 15 U.S.C. Section 7001 et seq., but does not modify, limit, or supersede Section
- 3 <u>101(c) of that act, 15 U.S.C. Section 7001(c), or authorize electronic delivery of any of the notices</u>
- 4 described in Section 103 (b) of that act, 15 U.S.C. Section 7003(b).

§21-17-20. Severability.

- 1 If any provision of this article or its application to any person or circumstance is held invalid,
- 2 the invalidity does not affect other provisions or applications of this article which can be given
- 3 effect without the invalid provision or application, and to this end the provisions of this article are
- 4 severable.

NOTE: The purpose of this bill is to create the Revised Uniform Athlete Agents Act; create a short title; define terms; require registration for athlete agent; void contracts if athlete agent not registered; create application process and requirements for athlete agents; establish reciprocal registration if certain conditions are met; provide authority of secretary to issue or deny applications; provide renewal requirements; provide power of secretary to suspend, revoke, or refuse to renew registration; provide for temporary registration; establish fees; require terms for validity of contract; require notice to educational institution; provide student right to cancel contract within specified period; require athlete agent retain certain records; establish prohibited conduct of athlete agent; establish criminal penalties; establish civil remedies for violations of act; establish civil penalties; require uniformity of application in construction of act; establish relation to the Electronic Signatures In Global And National Commerce Act; and provide severability.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.