

DRAFT  
FOR DISCUSSION ONLY

**UNIFORM SPORTS AGENTS ACT**

---

NATIONAL CONFERENCE OF COMMISSIONERS  
ON UNIFORM STATE LAWS

---

Draft

UNIFORM SPORTS AGENTS ACT  
With Prefatory Note and Comments

---

The ideas and conclusions herein set forth, including drafts of proposed legislation, have not been passed on by the National Conference of Commissioners on Uniform State Laws. They do not necessarily reflect the views of the Committee, Reporters or Commissioners. Proposed statutory language, if any, may not be used to ascertain legislative meaning of any promulgated final law.

**DRAFTING COMMITTEE ON UNIFORM SPORTS AGENTS ACT**

RICHARD C. HITE, Ste 600, 200 Douglas Ave., Wichita, KS 67202.  
Chair,  
W. JACKSON WILLOUGHBY, Placer County Municipal Court, 300 Taylor  
St., Roseville, CA 95678. Division Chair,  
JERRY L. BASSETT, Legislative Reference Service, 613 Alabama  
State House, 11 S. Union St., Montgomery, AL 36130.  
THOMAS L. JONES, Univ. of Alabama School of Law, University  
Station, P.O. Box 5557, Tuscaloosa, AL 34586.  
HARVEY S. PERLMAN, Univ. of Nebraska, College of Law, P.O. Box  
830902, Lincoln, NE 68583.  
FREDERICK P. STAMP, JR., U.S. District Court, P.O. Box 791,  
Wheeling, WV 26003.  
HARRY M. WALSH, Office of Revisor of Statutes, 700 State Office  
Bldg., St. Paul, MN 55155.  
HARRY WIGGINS, Missouri Senate, Rm. 423, State Capitol, Jefferson  
City, MO 65101.  
ROBERT N. DAVIS, Univ. of Mississippi, School of Law, University,  
MS 38677, Reporter

**EX OFFICIO**

BION M. GREGORY, Office of Legislative Council, State Capitol,  
Suite 3021, Sacramento, CA 95814-4996, President  
RICK PERKO, NCAA, 6201 College Blvd, Overland Park, KS 66211.  
Observer.

**EXECUTIVE DIRECTOR**

FRED H. MILLER, University of Oklahoma, College of Law, 300  
Timberdell Road, Norman, OK 73019, Executive Director  
WILLIAM J. PIERCE, 1505 Roxbery Road, Ann Arbor, MI, Executive  
Director Emeritus.

Copies of this Act and copies of all Uniform and Model Acts and other printed matter issued by the  
conference may be obtained from:

NATIONAL CONFERENCE OF COMMISSIONERS ON UNIFORM STATE LAWS  
676 St. Claire Street, Suite 1700  
Chicago, Illinois 60611  
312/915-0195

UNIFORM SPORTS AGENTS ACT

### **INTRODUCTORY NOTE**

This Act, the Uniform Sports Agents Act, addresses the problem of effective regulation of sports agents. It seeks to accomplish three major purposes.

First, it seeks to provide a minimum level of competence required by those seeking to do business as sports agents. Presently, there are no minimum qualification requirements that a person must meet in order to become licensed or registered as a sports agent (with the exception of the Florida provision §468.453).

Second, it provides a uniformity in approach to regulating the sports agents business that is nonexistent presently. This lack of uniformity is the result of player associations and state legislatures adopting different approaches to the regulation of sports agents.

Third, this Act imposes civil and criminal sanctions for violations.

### **BACKGROUND**

The concept of a sports agent representing professional or amateur athletes is a relatively recent phenomenon. As recently as twenty years ago, few athletes employed sports agents. However, since the late 1960's and early 1970's, sport agent representation of athletes has greatly expanded. This expansion can be attributed to a combination of social and economic developments. First, increased popularity of sports has resulted in greater media coverage of athletic events. As a result, advertising and other commercial activities have generated increased revenues for professional sports teams and, consequently, demands from athletes for a portion of this revenue. Second, competition for an athlete's services from new competitive sports leagues has provided athletes with greater bargaining power and leverage when negotiating their salaries. Third, through the process of free agency, athletes have the freedom to leave the sports team that originally selected them and sign with another team. Because athletes generally do not have the training or experience to deal with these social and economic developments, many athletes hire sports agents to draft and negotiate their contracts with professional sports teams, to plan financial and endorsement endeavors, and to interpret collective bargaining agreements.

In addition to these social and economic developments, the

expansion of sport agent representation of athletes has brought along with it sports agents who have not always acted in the athlete's best interests. Such situations are especially prevalent in the area of intercollegiate athletics. For example, the National Collegiate Athletic Association (NCAA) prohibits a student-athlete from contracting with a sports agent while the student-athlete is still in college and eligible for intercollegiate athletics. Sports agents, however, frequently ignore NCAA regulations and secretly loan or offer money, cars, and other valuable items to student-athletes in exchange for the opportunity to represent them when the student-athlete's intercollegiate eligibility expires.

As a result of such conduct, the intercollegiate careers of many student-athletes come to an abrupt end because they must forfeit their remaining intercollegiate eligibility if the NCAA discovers that they have contracted with sports agents. Furthermore, the reputations of the colleges that these student-athletes attend suffer from the negative national publicity that occurs when student-athletes lose their NCAA eligibility by contracting with sports agents. In addition to their involvement in intercollegiate athletics, sports agents have also not always acted in the athlete's best interests in the area of professional athletics. Many professional athletes have lost thousands of dollars because of improper financial investments and advice made by their sports agents.

Many sports agents' inadequate qualifications have led to their failure to act in the best interest of athletes, by causing many intercollegiate careers to end and by improperly managing a professional athlete's financial affairs. When a sports agent agrees to represent an athlete, the sports agent becomes the athlete's career planner. Thus, the athlete places his economic potential in the hands of his sports agent. Moreover, when a sports agent holds himself out as a career planner, the agent is indicating that he/she possesses expertise in the area of athlete representation. Sports agents, therefore, owe the athletes they represent both a fiduciary duty to possess the necessary skill and diligence to adequately represent the athlete.

Many sports agents, however, breach these duties because they have not had the proper training to adequately represent athletes. For example, sports agents are not required to have any type of educational degree or any minimum level of training, skill, or knowledge in the fundamental areas of athlete representation such as contract drafting and negotiating, financial planning, and collective bargaining agreements. Although the various professional players' associations, the NCAA, and a number of state statutes have all attempted to address the problems surrounding sport agent abuses, the professional players' associations and many states will certify, license, or register sports agents who are not necessarily

knowledgeable or qualified to represent athletes. Consequently, athletes cannot be assured that they are being represented by competent and trustworthy agents.

Although the number of sports agents who fail to act in the athlete's best interests has increased, causing many athletes not to employ them, a sports agent can prove beneficial to an athlete. A sports agent can help an athlete's performance by obtaining a fair and reasonable salary for him from a professional sports team. Additionally, a sports agent can help an athlete take full advantage of endorsements and public appearances, as well as set up tax, financial, and investment plans. Moreover, sports agents and athletes often become valued friends and companions.

### **REGULATORY EFFORTS**

In an attempt to preserve these benefits and deal with sports agents who fail to act in the best interest of the athletes they represent, a number of agencies within the sports field have set up regulations to govern sports agents. The National Football League Players Association (NFLPA), the National Basketball Players Association (NBPA), and the Major League Baseball Players Association (MLBPA) have all implemented guidelines and regulations that govern a sports agent's representation of professional athletes. Additionally, the NCAA has established guidelines and regulations that govern the involvement of sports agents in the field of amateur sports. Many state legislatures have also passed legislation that regulates sports agent's activities at both the professional and amateur levels. (24 Val. U.L. Rev. 481,487) (Spring 1990).

While these various organizations and state legislatures have recognized the need for regulating sports agents and have attempted to remedy the situation, the remedies that they pose are simply inadequate. Nevertheless, these attempted remedies illustrate the problems involved in regulating sports agents and help provide an understanding of the steps needed to control these problems.

### **STATE LEGISLATION**

Since 1981, a number of state legislatures have enacted statutes that regulate a sports agent's involvement with professional and amateur athletes. (24 Val. U.L.Rev. 481,496) (Spring 1990). Approximately twenty-seven states have adopted athlete agent legislation to date. Modeled after California, the initial approach to sports agent legislation was generally characterized by extensive registration requirements, which included an application form accompanied by a fee ranging from the nominal to the excessive. The registration often requires annual renewals. The application is reviewable by

either a commission or the secretary of state, and the license is revocable by those authorities if an agent commits a violation of the law. Additionally, these laws require the posting of a surety bond ranging from \$25,000 to \$100,000. The agent must file a schedule of fees to be charged and must have the contract he will execute with the athlete approved by the appropriate authority. The agent is also required to retain records of transactions with and on behalf of the athlete. These laws generally prohibit both solicitation and the signing of an athlete to a representation agreement before the expiration of the athlete's collegiate eligibility. Also, these laws provide both criminal and civil penalties for violators. While these attempts to regulate the athlete agent are meritorious, their practical effect is questionable. Many agents circumvent the laws by avoiding contacts within the state; others simply ignore the rules. Enforcement has been difficult, if not impossible, because often the only parties with knowledge of the agent's dealings are the agent himself and the athlete he has recruited. Neither party has an incentive to notify state authorities that the agent and/or athlete have violated state law as long as the athlete and agent are satisfied with the relationship. (The Sports Lawyer Winter 1988-89).

Widespread revelations of payoffs and inducements by agents to collegiate athletes put college administrators and state legislators on notice that existing state regulations were no deterrent to aggressive sports agents. The actions of bad agents prompted states that considered legislation in the late 1980's to reevaluate the thrust of the regulations. Thus, since 1988, many states have modified the registration requirements and adopted more extensive regulatory provisions including more severe penalties for violations. (The Sports Lawyer, Winter 1988-89).

While these state statutes have proved beneficial in recognizing that a sports agent problem exists and that some regulation is necessary, the statutes have not proved to be effective.

### **FEDERAL LEGISLATION**

In an attempt to assure athletes of competent and trustworthy representation, a number of authorities have recommended federal legislation of sports agents. However, the regulation of professional occupations, such as medical doctors and lawyers, is traditionally a matter of state concern. Also, despite hearings before the House Select Committee concerning federal legislation of sports agents and even a model sports agency act proposed by the National Sports Lawyers Association, the Congress has been reluctant to sponsor any federal legislation regulating sports agents. Thus, because the regulation of professional occupations is traditionally a matter

of state concern and because of the repeated failure of Congress to take action to regulate sports agents, the solution to sports agent abuses lies in the hands of state legislatures.

### **CURRENT STRUCTURE INADEQUATE**

The existing regulatory structure governing sports agents have proven inadequate to effectively regulate sports agents. The regulations established by the NFLPA, NBPA, and the MLBPA have limited application because not all professional players' associations have regulations governing sports agents. Furthermore, the sports agent regulations established by each players' association do not contain reciprocity provisions, and sports agents are subject to each players' association's regulations. In addition to the inadequacies of the professional players' associations, regulations established by the NCAA have also been proven to be inadequate. The NCAA does not have jurisdiction over sports agents and has no effective means by which to detect NCAA rule violations. The sports agent regulations established by state legislatures also suffer from many inadequacies. The statutes contain no reciprocity provisions and thus subject sports agents to multiple state regulations and fees.

The most striking inadequacies of the existing sports agent regulations are that they fail to require sports agents to possess any educational degree or to have any minimum level of training, skill, or knowledge in the fundamental areas of athlete representation. These existing regulations also allow for the certification, licensing, or registration of sports agents who are not necessarily knowledgeable or qualified to represent athletes. Therefore, comprehensive uniform legislation is necessary to solve the inadequacies of the existing regulatory structure.

### **UNIFORM STATE LEGISLATION**

In light of this background the need for uniform legislation is apparent. Many suggest that State legislatures must attack the sports agent problem by requiring a comprehensive entrance examination that would evaluate a sports agent's knowledge in the fundamental areas of athlete representation. For example, these commentators argue that sports agents should be tested on their proficiency in drafting and understanding contractual provisions and their proficiency in the art of negotiation. This examination should also test a sports agent's knowledge of collective bargaining agreements, the free agency system, pension plans, medical plans, bonuses, deferred compensation, loan transactions, and disability insurance. Commentators also suggest that because athletes place their economic potential in the hands of sports agents, sports agents should be tested on their ability as financial planners, investment advisors, and tax

planners. Because an athlete's career is relatively short, an athlete must take advantage of endorsements and investment opportunities while his/her professional playing career is still in progress. Thus, to protect an athlete's income, sports agents must be competent and knowledgeable in these areas. Moreover, in order to properly structure compensation packages, sports agents must be familiar with tax law and advise athletes of tax incentives and advantages.

A sports agent rarely performs all the contract drafting and negotiating, financial, investment, and tax planning alone. Frequently, sports agents work in partnership with one another. One sports agent may specialize in financial and investment endeavors. Despite this specialization, all sports agents should be knowledgeable in the fundamental areas of athlete representation and must therefore be tested to ensure a working knowledge of the various duties involved in representing athletes. Many experts believe that state legislation should also require continuing educational seminars, which would help train sports agents in the necessary skills. These seminars would serve to update and inform sports agents of various changes and developments in sports law.

In addition to the testing and educational seminars, other experts believe that state legislation should provide for licensing and reciprocity provisions to protect sports agents representing athletes in various states from multiple state filing fees and bonding requirements. Once a sports agent has passed a qualifications test in another state, reciprocity would uphold the validity of the test and preclude sports agents from having to take multiple state tests.

Uniform state legislation should also be aimed specifically at a sports agent's activities in the area of intercollegiate athletics. Although the NCAA is the governing body of intercollegiate athletics and can discipline colleges and student-athletes who violate NCAA regulations, the NCAA does not have jurisdiction over sports agents. Consequently, sports agents can violate NCAA regulations by entering into representational contracts and by offering student-athletes money without fear of punishment from the NCAA. Therefore, to protect student-athletes from the temptation of signing with sports agents and consequently losing their NCAA eligibility, state legislation should place restrictions on a sports agent's activities in intercollegiate athletics. For example, state legislation should prohibit a sports agent from contracting orally or in writing with student-athletes while the student-athletes are eligible for intercollegiate athletics.

Uniform state legislation should also prohibit sports agents from loaning or offering a student-athlete money or anything of value as an inducement to sign with them. Although the detection



of loans, gifts of money, or other things of value is difficult, the state would have to work closely with the NCAA in investigating and evaluating such conduct. By prohibiting sports agents from contracting with student-athletes and from loaning or offering student-athletes money, state legislation would help prevent sports agents from enticing student-athletes with large sums of money for the opportunity to represent them. State legislation would impose fines, imprisonment, or both on sports agents who violate such provisions of the state legislation.

Uniform state legislation could allow the college or university in which the student-athlete is enrolled to provide on-campus interviews between sports agents and student-athletes. These interviews, however would only be granted to sports agents who have registered with the Secretary of State and could only be conducted before the end of the student-athlete's final year of NCAA eligibility. As a result of such legislation, a student-athlete could better plan his/her professional sports future with a qualified sports agent well in advance of his/her actual professional career, thus avoiding the temptation of large sums of money.

Uniform state legislation will offer many advantages. First, it would assume that sports agents have a fundamental knowledge of athlete representation through a comprehensive qualifications test and through various mandatory seminars. Second, uniform state legislation, through its reciprocity provisions, would permit a unified set of requirements and fees to be applied consistently by all the states, rather than having each sports agent subjected to multiple state regulations and fees. Third, uniform state legislation would present a compromise between sports agents and student-athletes by allowing colleges to sponsor sports agent interviews with student-athletes, yet require sports agents to become licensed and follow the state's regulations. Thus, this proposed uniform legislation has a comprehensive goal of each state's statute to assure athletes of competent and trustworthy sports agent representation.

**[ARTICLE] 1**  
**GENERAL PROVISIONS**

**SECTION 101. SHORT TITLE.** This [Act] may be cited as  
Uniform Sports Agents Act.

**SECTION 102. PURPOSE.**

The Legislature finds it necessary to regulate the practice of athlete agents and athlete agent firms to protect the public health, safety, and welfare. The public has a right to be kept informed about the role of athlete agents and protected from dishonest or unscrupulous athlete agents. Practices by agents who solicit representation of student athletes can cause significant harm to student athletes and the academic institutions for which they play. It is the intent of the Legislature to protect the interests of student athletes and academic institutions by regulating the activities of athlete agents.

#### **Comment**

The Legislative purpose statement is based on the 16 Florida Athlete Agents Act FL ST Section 468.451, and the Washington Athlete Agents Act Section 18.175.010.

**SECTION 103. DEFINITIONS.** In this [Act]:

(1) "Athlete Agent" means a person who, directly or indirectly, recruits or solicits a person to enter into an agent contract or professional sport services contract, or who procures, offers, promises or attempts to obtain employment for a person with a professional sport team or as a professional athlete. (Pennsylvania §7107) [The term does not include an attorney acting as legal counsel] (North Dakota §9-15-01; Nevada §398.065; see also, Iowa §9A.2).

(2) "Agent contract" means any contract or agreement under which an athlete authorizes an athlete agent to negotiate to solicit on behalf of the athlete with one or more professional sports teams for the employment of the athlete by one or more professional sports teams. (Kansas §2(a)).

(3) "Contact" means communication between an athlete agent and a student athlete by whatever means, directly or indirectly, for the purposes of entering or soliciting entry into an agent contract. Contact shall include, but is not limited to, the distribution of any promotional or advertising materials, professional cards or circulars, communication by telephone or in person, or direct mail. (SLA §2(3)).

(4) "Employment as a professional athlete" includes employment pursuant to an endorsement contract or a professional sports services contract. (California §18895.2(3)(c)).

(5) "Endorsement contract" means any contract or agreement pursuant to which a person is employed or receives remuneration for any value or utility that the person may have because of

publicity, reputation, fame, or following obtained because of athletic ability or performance. (California §18895.2(3)(d)).

(6) "Financial services" means the making or execution of an investment or other financial decision, or counseling as to a financial decision. (California §18895.2(3)(e)).

(7) "Negotiate" includes any contact on behalf of any athlete with a professional sports team or organization or on behalf of any person with any other person who employs or potentially may employ the person as a professional athlete, regardless of whether the contact is made in person, in writing, electronically, through representatives or employees, or in any other manner. "Negotiate" also includes being present during any discussion of an endorsement contract or professional sports services contract with representatives of the professional sports team or organization or potential or actual employer. (California §18895.2(f)).

(8) "Person" means any individual, company, corporation, association, partnership, limited liability company, or their agents or employees. (California §18895.2(g)).

(9) "Professional sports services contract" means any contract or agreement pursuant to which a person is employed or agrees to render services as a player on a professional sports team or organization or as a professional athlete. (California §18895.2(h)).

(10) "Student athlete" means any individual admitted to or enrolled as a student, in an elementary or secondary school,

college, university, or other educational institution if the student participates, or has informed the institution of an intention to participate, as an athlete in a sports program where the sports program is engaged in competition with other educational institutions. (California §18895.2(i)(1)). [compare Sports Lawyers Association Draft §2(6) which provides: "Student athlete" means any student who (a) resides in \_\_\_\_\_, has informed, in writing, a college or university of the student's intent to participate in that school's intercollegiate athletics or who does participate in that school's intercollegiate athletics and is eligible to do so; or (b) does not reside in \_\_\_\_\_, but has informed, in writing, a college or university in \_\_\_\_\_ of the student's intent to participate in that school's athletics, or who does participate in that school's intercollegiate athletics and is eligible to do so]. (SLA §2(6)).

**SECTION 104. CREATION OF REGULATORY COMMISSION.**

[There are two models here. The first used by only a few states establishes an Athlete Agent regulatory Commission. The second, and predominant model allows the Secretary of State to administer the provisions of the statute].

(a) There is created a commission for the regulation of athlete agents in the State of to be known as the Athlete Agent Regulatory Commission. The commission shall consist of six members with an interest in college athletics to be appointed as follows:

(1) The Governor shall appoint two commission members;

(2) The President of the Senate shall appoint two commission members; and

(3) The Speaker of the House of Representatives shall appoint two commission members.

All members of the commission shall be citizens of the United States and residents of . The term of each commission member shall be for a period of three years and commission members may be eligible for reappointment, subject to the provisions of this chapter. If a vacancy occurs on the commission, the officer who originally appointed such member shall appoint a successor who shall take office immediately and serve the remainder of the unexpired term. The commission members and their successors shall have and exercise all the powers and authority vested by law in said commission.

(b) The effective date of all original appointments shall be

(c) No person who has served two successive complete terms on the commission shall be eligible for reappointment until after the lapse of one year. Appointment to fill an unexpired term is not to be considered as a complete term.

(d) The Governor shall remove from the commission any member for cause as provided in (reference to state code section).

(e) The commission shall elect annually a chairman and a vice-chairman.

(f) A majority of the commission shall constitute a quorum for the transaction of business.

(g) The commission may promulgate and from time to time amend rules and standards of conduct for athlete agents appropriate for the protection of the residents of the state.

(h) Members of the commission shall be reimbursed as provided in (reference to section of the state code).

(i) The members of the commission shall designate a secretary who will provide all administrative services. (Georgia §43-4A-3). (Compare the Alabama Commission §8-26-3).



**SECTION 104. OFFICE OF THE SECRETARY OF STATE.**

(a) The Office of the Secretary of State shall have the responsibility for administering all provisions of this statute. (Kansas Ch. 178 §15(a)).

**[ARTICLE] 2**  
**REGISTRATION**

**SECTION 201. ATHLETE AGENT REGISTRATION**

States have approached this area in a variety of ways. Many state statutes contain provisions requiring athlete agent registration, but several require the issuance of licenses or permits.

(a) No person shall engage in or carry on the occupation of an athlete agent either within the state or with a resident of the state without first registering with the Secretary of State [Commission]. (Alabama §8-26-4). An athlete agent shall register with the secretary of state before the athlete agent may contact an athlete, either directly or indirectly, while the athlete is eligible. A registered athlete agent may make those contacts only in accordance with this act. (Kansas §3.(a)).

(b) An applicant for registration as an athlete agent shall submit a written application for registration to the secretary of state on a form prescribed by the secretary of state. The applicant shall provide the information required by the secretary of state, which shall include:

- (1) the name of the applicant and the address of the applicant's principal place of business;
- (2) the business or occupation engaged in by the applicant for the five years (a few states suggest two years) immediately preceding the date of application;
- (3) a description of the applicant's formal training, practical

experience, and educational background relating to the applicant's professional activities as an athlete agent;

(4) if requested by the secretary of state, the names and addresses of five professional references; and

(5) the names and addresses of all persons, except bona fide employees on stated salaries, that are financially interested as partners, associates, or profit sharers in the operation of the business of the athlete agent, except that an application for registration or renewal by any individual licensed to practice law in Kansas shall state only the names and addresses of those persons that are involved in the activities of the athlete agent and is not required to state the names and addresses of all persons who may be financially interested as members of a law firm or professional corporation but who do not become involved in the business of the athlete agent. (Kansas Ch. 178 §3(b)).

(c) If the applicant is a corporation, the information required by subsection (b) shall be provided by each officer of the corporation. If the applicant is an association or partnership, the information shall be provided by each associate or partner. (Kansas Ch. 178 §3(c)).

**SECTION 202. EVALUATION AND INVESTIGATION**

(a) Upon receipt of an application for registration, the secretary of state may evaluate and investigate the education, training, experience, and character of the applicant and may examine the premises designated in the application to verify it to be the principal place of business in which the applicant proposes to conduct business as an athlete agent. (Georgia code §43-4A-6).

(b) A person may be licensed/registered as an athlete agent if the applicant passes an examination provided by the secretary of state which tests the applicant's proficiency to practice as an athlete agent, including but not limited to, knowledge of the laws and rules of this state relating to athlete agents. (Florida §468.453(c)).

**SECTION 203. DURATION OF REGISTRATION CERTIFICATE.**

(a) A certificate of registration issued under this act is valid for 12 (24) months from the date of issuance. The secretary of state by rule and regulation may adopt a system under which certificates of registration expire on various dates during the year. For the year in which the registration expiration date is changed, the renewal fee payable on the anniversary of the date of issuance shall be prorated so that each registrant pays only that portion of the fee that is allocable to the number of months during which the registration is valid. On the renewal of the certificate of registration on the new expiration date, the total registration renewal fee is payable. (Kansas Ch. 178 §3(d)).

(b) A registered athlete agent may renew the registration by filing a renewal application in the form prescribed by the secretary of state, accompanied by the renewal fee. The renewal application must include the information prescribed by the secretary of state, which shall include:

(1) The names and addresses of all athletes for whom the athlete agent is providing professional services for compensation at the time of the renewal; and

(2) the names and addresses of all athletes not currently represented by the athlete agent for whom the athlete agent has performed professional services for compensation during the three years preceding the date of application. (Kansas Ch. 178 §3(e)).

**SECTION 204. REGISTRATION FEE**

(a) Each application for the registration or renewal of registration shall be accompanied by a fee of [\$1000]. (Kansas Ch. 178 §3(f)). Or the Georgia statute provides: The [secretary of state] is authorized to charge an application fee, temporary registration fee, registration fee, registration renewal fee, or similar fees and may establish the amount of the fees to be charged. Each fee so established shall be reasonable and shall be determined in such a manner that the total amount of fees charged by the secretary shall approximate the total of the direct and indirect costs to the state of the operations of the commission. (Georgia §43-4A-12).

**SECTION 205. TEMPORARY OR PROVISIONAL REGISTRATION**

(a) When an application for registration or renewal is made and the registration process has not been completed, the secretary of state may issue a temporary or provisional registration certificate that is valid for no more than [90 days]. (Kansas Ch. 178 §3(g)).

## **SECTION 206. SURETY BOND**

(a) Before the issuance or renewal of a certificate of registration, an athlete agent shall deposit with the secretary of state a surety bond in the sum of \$100,000, payable to the state; and

(b) conditioned that the person applying for the registration will comply with this act, will pay all amounts due any individual or group of individuals when the person or the person's representative or agent has received those amounts, and will pay all damages caused to any athlete by reason of the intentional misrepresentation, fraud, deceit, or any unlawful or negligent act or omission by the registered athlete agent or the agent's representative or employee while acting within the scope of the representative's authority or within the scope of employment of the employee.

(c) An athlete agent may provide to the secretary of state proof of an equivalent amount of professional liability insurance in lieu of a surety bond, if such professional liability insurance provides coverage for the same types of conduct, acts, or activities as are covered by the bond otherwise provided for in this section.

(d) This subsection does not limit the recovery of damages to the amount of the surety bond.

(e) If an athlete agent fails to file a new bond with the secretary of state not later than the 30th day after date of receipt of a notice of cancellation issued by the surety of the



bond, the secretary of state shall suspend the certificate of registration issued to that athlete agent under the bond until the athlete agent files a new surety bond with the secretary of state.

(f) An applicant for registration that is a corporation, an association, a partnership, or another entity, and not an individual or sole proprietorship, shall file with the secretary of state, accompanying the application for registration or the renewal of any registration, a statement setting forth the names and addresses of all individuals who will recruit or solicit an athlete to enter into an agent contract, a professional sports services contract, or a financial services contract with the agent.

(g) If a registered athlete agent changes the individuals who recruit or solicit athletes on behalf of the agent, the agent, not later than the 30th day after the date the change is made, shall file with the secretary of state a statement setting forth the changes to the statement filed under subsection ().

(h) The secretary of state may prescribe a form for the statements or other information required under this section.

(Kansas Ch 178 §3).

**SECTION 207. EXEMPTION FOR LICENSED OR REGISTERED FINANCIAL PROFESSIONAL.**

(a) This act does not apply to a person who, for compensation, directly or indirectly recruits or solicits an athlete to enter into a contract under which the person provides financial services to the athlete if:

(1) The person is licensed or registered by this state as a broker-dealer, an agent, or an investment advisor for securities, a real estate broker or salesperson, an insurance agent, or another licensed or registered financial professional;

(2) the services are of a type that are customarily provided by persons in those regulated professions; and

(3) the person does not:

(A) Recruit or solicit the athlete to enter into an agent contract or a professional services contract on behalf of the person, an affiliate, a related entity, or a third party; or

(B) procure, offer, promise, or attempt to obtain employment for an athlete with a professional sports team. (Kansas Ch. 178 §4)

**SECTION 208. ENFORCEMENT**

(a) The secretary of state shall actively enforce this act and conduct investigations necessary to ensure compliance.

(b) If the secretary of state determines that a violation has occurred, the secretary of state shall refer the case to the attorney general for prosecution and take appropriate disciplinary action. On the determination of the secretary of state that a violation is occurring or is threatened, the secretary of state or attorney general may bring an action in [appropriate state court] to enjoin the violation or threatened violation. (Kansas Ch 178 §5).

**SECTION 209. GROUNDS FOR REFUSAL TO REGISTER**

(a) The secretary of state shall deny a certificate of registration to an applicant who has been convicted of a felony or of a misdemeanor involving moral turpitude. (Kansas Ch. 178 §5(e)).

(b) The secretary of state may refuse to grant a registration to an applicant or may revoke a registration already granted or may discipline a person registered upon making a finding that the applicant or registrant or his or her representative or employee:

(1) Has made a material false, misleading, deceptive, untrue, or fraudulent representation as an athlete agent or in any document related to the business of the athlete agent or practiced fraud or deceit or made a false statement of a material nature in his or her application for registration or made a false or deceptive statement of a material nature on an application for registration renewal;

(2) Has ever misappropriated funds or engaged in other specific acts such as embezzlement, theft, or fraud which would render him or her unfit to serve in a fiduciary capacity;

(3) Has engaged in such other conduct that has a significant adverse impact on his or her creditability, honesty, integrity, or competence to serve in a fiduciary capacity;

(4) Has engaged in conduct which results in a violation of any rule or regulation promulgated by an intercollegiate sports governing body;

(5) Has been convicted of violating a statute, law, or any rule or regulation of this state, any other state, the secretary of state, the United States, or any other lawful licensing authority, without regard to whether the violation is criminally punishable, which law, rule, or regulation relates to or in part regulates athlete agents, or violating a lawful order of the commission previously entered by the secretary of state in a disciplinary hearing;

(6) Is unwilling to swear or affirm that he or she will comply with such rules and standards of conduct for athlete agents as may from time to time be promulgated by the secretary of state; or

(7) Has engaged in conduct which results in an athlete's losing eligibility to participate in intercollegiate sports contests as a member of a sports team of an institution of higher education.

(b) The refusal to grant a registration shall/shall not be considered to be a contested case within the meaning of the [state administrative procedure act]. Notice and hearing within the meaning of [state provision] shall/shall not be required. Notice of refusal to grant a registration is required to be sent by registered mail or personal service setting forth the particular reasons for the refusal. The written notice shall be sent to the applicant's address of record with the secretary of state. The applicant shall be allowed to appear before the commission if the applicant so requests in writing. (Georgia §43-4A-7). (see also, Alabama §8-26-7(b & c)).

**SECTION 210. AGENT FOR SERVICE OF PROCESS.**

(a) Every athlete agent shall maintain an agent for service of process in this state. (California §18897.83).

**SECTION 211. ATTORNEYS LICENSED IN STATE.**

(a) An attorney licensed to practice law in [state] who acts as an athlete agent in his practice of law shall be subject to the requirements and penalties of this Section except as provided in this Section.

(b) An attorney shall not be required to register with the secretary of state or pay a registration fee as provided in this Section. An attorney shall notify the [secretary or state bar association], in writing, of his intention to act as an athlete agent in his practice of law.

(c) An attorney shall not be required to file a copy of any contract with the secretary of state as provided in this Section.

(d) An attorney shall retain records as provided for in this Section and shall comply with all the requirements and prohibitions of this Section except as specifically provided otherwise in this Section.

(e) An attorney shall be subject to the penalties provided in this Act for violations of this Act.

**SECTION 212. JURISDICTION OVER AGENT.**

(a) Subject to service of process pursuant to [State Civil Rule] a court may exercise personal jurisdiction over an athlete agent who resides or engages in business outside this state as to a cause of action arising from the athlete agent entering into an agent contract with a student athlete outside this state. (Ohio §4771.06)



**[ARTICLE] 3**

**AGENT CONTRACTS**

**SECTION 301. AGENT CONTRACTS**

(a) No athlete agent shall knowingly enter into a contract containing any term or condition that, if complied with, would be in violation of the law, or attempt to fill an order for help to be employed in violation of the law. (California § 18897.33) An agent contract which does not meet the requirements of this section is void and unenforceable. (Florida § 468.454 (3))

**SECTION 302. FORM**

(a) Any agent contract entered into between an athlete agent and a student athlete shall be in writing (California § 18897) and at a minimum include:

(1) The amount of the fees and expenses and the percentages to be paid by the student athlete to the athlete agent;

(2) A description of the professional services that the athlete agent will render to the student athlete in return for each fee, expense or percentage; and

(3) Any guarantees provided by the athlete agent to the athlete. (Colorado § 23-16-104)

**SECTION 303. WARNING NOTICE TO STUDENT ATHLETES.**

(a) Every agent contract, endorsement contract, or professional sport services contract entered into by a student athlete shall contain, in close proximity to the signature of the student athlete, a notice in at least 10-point boldface type in capital letters stating (California § 18897.73):

WARNING TO STUDENT ATHLETE: WHEN YOU SIGN THIS CONTRACT, IT IS LIKELY THAT YOU WILL IMMEDIATELY LOSE YOUR ELIGIBILITY TO COMPETE IN INTERCOLLEGIATE ATHLETICS. YOU MUST GIVE WRITTEN NOTICE THAT YOU HAVE ENTERED INTO THIS CONTRACT TO THE ATHLETIC DIRECTOR OF YOUR COLLEGE OR UNIVERSITY WITHIN 72 HOURS AFTER ENTERING INTO THIS CONTRACT OR PRIOR TO PARTICIPATING IN YOUR NEXT INTERCOLLEGIATE ATHLETIC EVENT, WHICHEVER COMES FIRST.

DO NOT SIGN THIS CONTRACT UNTIL YOU HAVE READ IT OR IF IT CONTAINS BLANK SPACES. DO NOT SIGN THIS CONTRACT IF IT DOES NOT SPECIFY ALL OF THE GUARANTEES MADE TO YOU BY THE ATHLETE AGENT. IF YOU DECIDE THAT YOU DO NOT WISH TO PURCHASE THE SERVICES OF THE ATHLETE AGENT, YOU MAY CANCEL THIS CONTRACT BY NOTIFYING THE ATHLETE AGENT IN WRITING OF YOUR DESIRE TO CANCEL THE CONTRACT NOT LATER THAN 15 DAYS AFTER THE DATE ON WHICH YOU SIGN THIS CONTRACT. (Colorado § 23-16-104 (1)(d)).

**SECTION 304. SCHEDULE OF FEES.**

(a) Every contract between an athlete agent and a student athlete shall include a schedule of fees chargeable and collectible from a student athlete and a description of the services provided for each of these fees. The athlete agent may impose charges only in accordance with this fee schedule. Changes in the schedule may be made from time to time, except that a change shall not become effective until the seventh day after the date the change is filed with the commission. (Iowa § 9A.7)

**SECTION 305. NOTICE TO INSTITUTION.**

(a) Within seventy-two hours after entering into an agent contract, the student athlete shall notify the athletic director of the institution at which the student athlete is enrolled and provide a copy of the signed agent contract.

(b) If a student athlete enters into an agent contract prior to enrolling at an institution, the student athlete, within seventy-two hours after the enrollment, shall notify the athletic director of the institution at which the student enrolls and provide a copy of the signed agent contract. (Colorado § 23-16-104 (2))

**SECTION 306. POST-DATED CONTRACTS.**

(a) No athlete agent shall negotiate or enter into any postdated agent contract, endorsement contract or professional sports services contract or any agent contract, endorsement contract or professional services contract that purports to or takes effect at a future time. (California § 18897.5) A postdated agent contract is void and unenforceable. (Florida § 468.454 (5))

**SECTION 307. ATHLETE'S RIGHT TO RESCIND.**

(a) Within 15 days after the date the athletic director or president of the college or university of the student athlete receives the notice required by §( ) that a student athlete has entered into an athlete agent contract, the student athlete shall have the right to rescind the contract with the agent by giving written notice to the athlete agent of the student's rescision of the contract.

(b) The student athlete may not under any circumstances waive the student athlete's right to rescind the agent contract. (Florida § 468.454 (4)).

**[ARTICLE] 4**

**FINANCIAL SERVICES**

**SECTION 401. FINANCIAL SERVICES/INVESTMENT ADVICE**

(a) An athlete agent may provide advice or services regarding investments.

(b) If an athlete agent or athlete agent's representative provides financial services to a professional athlete or student athlete or advises the athlete concerning the investment of funds, the athlete agent shall disclose to the athlete any ownership interest the athlete agent, representative, or employee has in any entity regarding which the athlete agent, representative or employee is providing financial services or giving advice, and any commission the athlete agent, representative or employee will receive from the athlete's investment. (California § 18897.3)



**[ARTICLE] 5**

**PROHIBITED ACTS**

**SECTION 501. FAILURE TO ACCOUNT FOR OR PAY ASSETS**

(a) If an athlete agent fails to account for or pay, within a reasonable time, not to exceed thirty (30) days, assets belonging to another which have come into the control of the athlete agent in the course of conducting business as an athlete agent, the athlete agent will be considered in violation of this section.

(b) Failure to account for or pay such assets to the athlete may result in revocation of the athlete agent's license to practice sports agency or criminal or civil penalties under § 16 of this act. (Tennessee § 49-7-2114 (a) (2))

**SECTION 502. BAD FAITH OR DISHONEST CONDUCT**

(a) No athlete agent or athlete agent's representative or employee shall give any false information or make any false promises or representations concerning any employment to any person. (California § 18897.37) An athlete agent shall not intentionally give any false or misleading information or intentionally make any false promises or representations to any athlete or the athlete's parents, legal guardians, or other advisors or fail to disclose that he is employed by, or acting on behalf of someone else. (Louisiana § 424 (A) (4))

(b) An athlete agent shall not engage in any conduct which demonstrates bad faith or dishonesty. (Florida § 468.456 (1) (c))

Commingling Money or Property

**SECTION 503. COMMINGLING MONEY OR PROPERTY**

(a) An athlete agent shall not commingle money or property of another person with the athlete agent's money or property. Every athlete agent shall maintain a separate trust account or escrow account in an insured bank or savings and loan association, in which shall be deposited all proceeds received for another person through the athlete agent. (Florida § 468.456 (1) (d)).

**SECTION 504. OFFERING ANYTHING OF VALUE**

(a) An athlete agent shall not offer anything of value, including reduced attorney's fees (California § 18897.67), to any person to induce a student athlete to enter into an agreement by which the athlete agent will represent the student athlete.

(b) However, negotiations regarding the agent's fee shall not be considered an inducement. (Florida § 468.456 (1)(f)) "Person" includes elementary or secondary schools, colleges, universities, other educational institutions, and the student athlete or professional athlete or any friend or relative of the student athlete or professional athlete. (California § 18897.67) (Tennessee § 49-7-2114(a)(6))

**SECTION 507. MISMANAGEMENT OR MISCONDUCT CAUSING FINANCIAL HARM.**

(a) An athlete agent shall not engage in mismanagement or misconduct as an athlete agent which causes financial harm to a student athlete or college or university. (Florida § 468.456 (1) (h)).

**SECTION 508. PUBLISHING FALSE OR MISLEADING ADVERTISEMENTS.**

(a) No athlete agent or athlete agent's representative or employee shall publish or caused to be published any false, fraudulent, or misleading information, representation, notice or advertisement. (California § 18897.37).

(b) Athlete agent shall not give any false information or make any false statements or promises to a student athlete regarding employment or financial services. (Tennessee § 49-7-2114 (a) (10)).

**SECTION 509. VIOLATING THE RULES OF THE ATHLETIC CONFERENCE  
OR COLLEGIATE ATHLETIC ASSOCIATION.**

(a) An athlete agent shall not violate or aid or abet another in violating the rules of the athletic conference or collegiate athletic association governing a student athlete concerning employment or financial services. (Florida § 468.456 (1) (k)).

**SECTION 510. CONTACT WITH A STUDENT ATHLETE IN VIOLATION OF THIS ACT.**

(a) An athlete agent shall not have any contact, as prohibited by section or subsection of this act, with a student athlete. (Florida § 468.456 (1)(1)).



**SECTION 511. PROHIBITED CONTACTS.**

(a) Except as provided in this section, no athlete agent or athlete agent's representative or employee shall make or continue any contact, whether in person, in writing, electronically, or in any other manner, with any student athlete, or any student athlete's spouse, parent, grandparent, child, sibling, aunt, uncle, first cousin, or any of the preceding persons for whom the relationship has been established by marriage, or any person who resides in the same place as the student athlete, or any representative of any of these persons, unless the student athlete's eligibility to participate in the sport in which the athlete agent seeks to represent the student athlete has expired.

(b) An athlete agent or athlete agent's representative or employee may send a student athlete, or any of the other persons described in subdivision (a), written materials, provided that the athlete agent previously has sent, or simultaneously sends, an identical copy of the materials to the principal, president, or other chief administrator of the elementary or secondary school, college, university, or other educational institution to which the student athlete has been admitted or in which the student athlete is enrolled. Information contained in such materials must comply with the requirements of section 13 of this act.

(c) If a student athlete, or any of the other persons described in subdivision (a), initiates contact with an athlete agent or athlete agent's representative or employee, the athlete

agent, representative or employee, the athlete agent, representative or employee may continue the contact and make new contacts with that person. No later than the first regular business day after that person first initiates contact, the athlete agent shall notify in writing the principal, president, or other chief administrator of the elementary or secondary school, college, university, or other educational institution to which the student athlete has been admitted or in which the student athlete is enrolled, of that contact. The notification shall be in writing and describe the nature of the contact.

(d) This section does not apply to any contact between an athlete agent or agent's representative or employee and a student athlete or any of the persons described in subdivision (a), if and solely to the extent that the contact is initiated by an elementary or secondary school, college, university or other educational institution to which the student athlete has been admitted or in which the student athlete is enrolled. (California § 18897.63)

**SECTION 512. INTERVIEWS AT EDUCATIONAL INSTITUTIONS.**

(a) If an institution of higher education elects to sponsor athlete agent interviews on its campus during the student athlete's final year of eligibility, a registered athlete agent may interview the student athlete to discuss his representation of the student athlete in the marketing of the student athlete's athletic ability or reputation.

(b) The athlete agent shall strictly adhere to the specific rules of each separate electing institution with regard to the time, place and duration of the registered athlete agent interviews. The interviews must be conducted in that final year during a period not to exceed thirty (30) consecutive days. (Mississippi § 73-41-13).

**[ARTICLE] 6**

**RECORDKEEPING**

**SECTION 601. RECORDKEEPING REQUIREMENTS**

(a) Every athlete agent shall maintain records which include the name and address of each person employing the athlete agent, the amount of any fee collected from those persons, the contract entered into between the athlete agent and the student athlete or professional athlete, any expenses paid by the athlete agent in the recruitment of student or professional athletes, including food, beverages, maintenance of a hospitality room, sporting events, musical and theatrical events, and any transportation, lodging, or admission expenses incurred in connection with the entertainment (Kansas § 13(a)), and any other information which the commission may from time to time require. No athlete agent, or his representatives or employees, shall make any false entry in any such records. (California § 18897.23, Alabama § 8-26-26).

**SECTION 602. RECORDS OPEN TO INSPECTION.**

(a) All records required by this section shall be kept for a period of seven years, and shall be open to inspection by the commission during normal business hours.

(b) Refusal or failure of an athlete agent to provide the records requested shall result in suspension or revocation of the athlete agent's license. The commission may exercise subpoena powers to obtain the records of the athlete agent. (Tennessee § 49-7-2119, California § 18897.23, Alabama § 8-26-26).

[ARTICLE] 7

PENALTIES FOR VIOLATIONS

SECTION 701. CIVIL PENALTY

(a) Any professional athlete, or any student athlete, or any elementary or secondary school, college, university, or other educational institution, or any league, conference, association, or federation of the preceding educational institutions, or any person may bring a civil action for recovery of damages from an athlete agent, if that professional athlete, student athlete, institution, any member of that league, conference, association, or federation, or that other person is adversely affected by the acts of the athlete agent or of the athlete agent's representative or employee in violation of this act. A student athlete is presumed to be adversely affected by the acts of an athlete agent, representative, or employee in violation of this act if, because of those acts, the student athlete is suspended or disqualified from participation in one or more interscholastic or intercollegiate sports events by or pursuant to the rules of a state or national federation or association for the promotion and regulation of intercollegiate or interscholastic sports, or suffers financial damage, or suffers both suspension or disqualification and financial damage. An educational institution is presumed to be adversely affected by the acts of an athlete agent or of an athlete agent's representative or employee in violation of this act if, because of those acts, the educational institution, or one or more student athletes admitted

to or enrolled in the educational institution, is suspended or disqualified from participation in one or more interscholastic or intercollegiate athletic events by or pursuant to the rules of a state or national federation or association for the promotion and regulation of interscholastic or intercollegiate sports, or suffers financial damage, or suffers both suspension or disqualification and financial damage.

(b) A plaintiff that prevails in a civil action brought under this act may recover actual damages, or fifty thousand (\$50,000) dollars, whichever is higher; punitive damages; court costs; and reasonable attorney's fees. An athlete agent found liable under this section also shall forfeit any right of repayment or anything of benefit or value provided to a student athlete or professional athlete, and shall refund any consideration paid to that athlete agent by or on behalf of the student athlete or professional athlete.

(c) It is the intent of the drafters of this act to encourage enforcement of this chapter through private civil actions. (California § 18897.8, Kansas § 10(a), Colorado § 23-16-108).

**SECTION 702. MISDEMEANOR FINES/IMPRISONMENT**

(a) An athlete agent or athlete agent's representative or employee who violates this act is guilty of a misdemeanor, and shall be punished by fine of not more than fifty thousand (\$50,000) dollars, or imprisonment in a county jail not exceeding one year, or both that fine and imprisonment.

(b) The court may suspend or revoke the privilege of any person convicted of a violation of this chapter to conduct the business of athlete agent. (California § 18897.93).

(c) An athlete agent who offers, promises or gives anything of value to a student athlete or professional athlete in order to induce such athlete to enter into a representation agreement shall pay a fine in an amount of three times that amount offered, promised or given or be sentenced to not more than one year in county jail, or both. (Pennsylvania § 7107(b)).

(d) Any contract which is negotiated or entered into which violates any provision of this act or fails to comply with this act in any way is void and unenforceable. (Arkansas § 17-16-102(b), Florida § 468.454(3)).



**SECTION 703. FELONY FINES/IMPRISONMENT**

(a) A person who fails to register in accordance with this act and thereafter proceeds to recruit or solicit a student athlete or professional athlete is guilty of unauthorized sports agency, a felony, which is punishable by a fine of not more than two hundred thousand dollars (\$200,000), or by imprisonment in the state penitentiary for five to ten years, or both. (Kentucky § 518.080).

(b) Any athlete agent who fails to comply with section 13.6 of this act, regarding false or misleading advertising, also guilty of a felony which is punishable by a fine of not more than one hundred thousand dollars (\$100,000), or by imprisonment of three to five years, or both. (North Carolina § 78C-78(c)).

**[ARTICLE] 8**

**CAUSES OF ACTION**

**SECTION 801. CAUSES OF ACTION CREATED FOR VIOLATIONS**

(a) Any elementary or secondary school, college, university or other educational institution, or student athlete or professional athlete, or any league, conference, association, or federation of the preceding educational institutions, or any other person who is harmed by a violation of any provision of this act by an athlete agent shall have a cause of action pursuant to section [] of this act against that athlete.

(California §18897.8).

**[ARTICLE] 9**

**DISPUTES/PROCEEDINGS**

**SECTION 901. DISPUTES/PROCEEDINGS**

(a) Any conflicts or disputes which shall from time to time arise regarding the activities of the athlete agent, the contractual relationship between the athlete agent and the athlete he or she represents, any financial arrangements or transactions entered into on behalf of the athlete, or any prohibited activities within this act will be settled according to sections [] of this act.

## **SECTION 902. PROCEEDINGS**

(a) The secretary may compel attendance and testimony at an proceeding, by subpoena or summons issued by the secretary of state in the state in which the dispute is being heard, of any witness, and the production of any books, accounts, records, magnetic or electronic recordings, papers, contracts, correspondence, or other records the commission deems relevant or material to the proceedings. The commission may for this purpose administer oaths, examine witnesses and receive evidence. Any evidence or information received shall be treated as confidential by the commission and shall not be open to public inspection except by court order.

(b) Service of any subpoena or summons issued by the secretary of state may be made by the secretary or any authorized agent or employee of the secretary, and may be made upon any natural person by delivering a duly executed copy of the subpoena or summons to the person to be served or by mailing such copy by registered or certified mail, return receipt requested, to such person at the person's residence or principal place of business.

(c) On the failure to obey a subpoena or the refusal of a witness whose testimony is sought to appear or to answer, the commission or the secretary of state shall refer the matter to the attorney general of that state for enforcement. The attorney general may apply to a district court for an order requiring compliance. If the district court determines that good cause exists for the issuance of a subpoena or summons, the court shall

order compliance. The district court may modify the requirements of the subpoena that the court determines are unreasonable. Failure to obey the order of the district court is punishable as contempt.

(d) The secretary of state or the commission may propound to any party to the proceedings, or a partner or associate thereof, such interrogatories as may be reasonable, necessary, and proper to enable the commission to ascertain whether a person regulated by this act is in compliance with all the provisions of this act. Notwithstanding the foregoing, the commission or secretary of state shall not propound interrogatories for any athlete not represented by counsel. The interrogatories shall be answered within thirty (30) days after mailing or within such additional time as shall be fixed by the secretary of state or the commission, and the answers shall be made in writing and under oath. The interrogatories shall be answered by the person or legal entity to whom they were directed.

(e) If the interrogatories and answers disclose any violation of this act, the commission or secretary of state shall take action under the remedial provisions of this act.

(f) The interrogatories and answers shall be treated as confidential and shall not be open to public inspection except by court order. (Texas § 10A., North Carolina § 78C-73) (For more in-depth procedures, See Nevada §§ 398.155-398.215).

Penalties, including revocation or suspension of registration, shall not be imposed without notice and a hearing.

(Connecticut § 6(a)(b), North Carolina § 78C-73, Maryland §§ 4-412 - 4-413)

**SECTION 903. ARBITRATION/MEDIATION**

(a) An athlete agent contract which provides for decision by arbitration or mediation of any controversy under the contract or as to its existence, validity, construction, performance, nonperformance, breach, operation, continuance, termination, or effect, shall be valid and enforceable if all of the following occur:

(1) The provision is contained in a contract between an athlete agent and an athlete for whom the athlete agent under the contract undertakes to endeavor to secure employment.

(2) The provision is inserted in the contract pursuant to any rule, regulation or contract or a bone fide labor union regulating the relations of its members and the athlete agent.

(3) The contract provides for reasonable notice to the commission of the time and place of all arbitration proceedings.

(4) The contract provides that the commission or its authorized representative has the right to attend all arbitration hearings.

If there is such an arbitration or mediation provision in a contract, the contract need not provide that the athlete agent agrees to refer any controversy between the person and the athlete agent regarding the terms of the contract to the commission for adjustment. (Alabama § 8-26-39).

If the contract between the athlete agent and the athlete fails to address the issue of arbitration or mediation, the commission may at its discretion call for such proceedings in the

interest of fairness and equity.



**SECTION 904. APPLICABILITY OF STATE ADMINISTRATIVE  
PROCEDURE ACT.**

(a) The provisions of any State Administrative Procedure Act shall be applicable to the commission and the provisions of this act. (Georgia § 43-4A-17).

**SECTION 905. JUDICIAL REVIEW**

(a) Parties aggrieved by the decision in a proceeding are entitled to judicial review in district court in the same manner that decisions of state agencies are reviewed pursuant to that state's law. (Nevada, § 398.215, Maryland § 4-414).

**SECTION 906. RECIPROCITY**

(a) This state will not require registered sports agents to:

- (1) Sit for a comprehensive entrance examination; or
- (2) Attend annual continuing education seminars; or
- (3) Pay an annual licensing fee; or
- (4) Post a surety bond or possess liability insurance;

provided these requirements have been satisfied in compliance with other state sport agent acts.

(b) Despite the reciprocity provisions in section (a), all sports agents desiring to represent an athlete must be registered with this state's Secretary of State.

**SECTION 907. APPLICATION AND CONSTRUCTION**

In applying and construing this Uniform Act, consideration must be given to the need to promote uniformity of the law with respect to the subject matter of this [Act] among States enacting it.

**SECTION 908. SEVERABILITY CLAUSE.**

If any provision of this [Act] or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this [Act] which can be given effect without the invalid provision or application, and to this end the provisions of this [Act] are severable.

**SECTION 909. REPEALS.**

The following acts and parts of acts are hereby repealed:

**SECTION 910. EFFECTIVE DATE.** This [Act] takes effect \_\_\_\_\_.