

D R A F T
FOR APPROVAL

UNIFORM ATHLETE AGENTS ACT

NATIONAL CONFERENCE OF COMMISSIONERS
ON UNIFORM STATE LAWS

MEETING IN ITS ONE-HUNDRED-AND-NINTH YEAR
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UNIFORM ATHLETE AGENTS ACT

WITH PREFATORY NOTE AND REPORTER'S NOTES

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By
NATIONAL CONFERENCE OF COMMISSIONERS
ON UNIFORM STATE LAWS

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DRAFTING COMMITTEE ON UNIFORM ATHLETE AGENTS ACT

RICHARD C. HITE, Suite 600, 200 W. Douglas Avenue, Wichita, KS 67202, *Chair*
JERRY L. BASSETT, Legislative Reference Service, 613 Alabama State House, 11 S. Union Street,
Montgomery, AL 36130, *Committee Member and Committee on Style Liaison*
TERESA ANN BECK, House Legislative Services Office, P.O. Box 1018, Jackson, MS 39215
ROBERT N. DAVIS, University of Mississippi, School of Law, Law Center Room 559, University,
MS 38677, *National Conference Reporter*
CHARLES W. EHRHARDT, Florida State University, College of Law, 425 W. Jefferson Street,
Tallahassee, FL 32306, *Enactment Plan Coordinator*
THOMAS L. JONES, University of Alabama School of Law, University Station, P.O. Box 865557,
Tuscaloosa, AL 35486-0050
JOSHUA M. MORSE, III, Florida State University, College of Law, Tallahassee, FL 32306
HARVEY S. PERLMAN, University 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, 456 Summit Avenue, #206, St. Paul, MN 55102
HARRY WIGGINS, Missouri Senate, Room 423, State Capitol, Jefferson City, MO 65101

EX OFFICIO

JOHN L. McCLAUGHERTY, P.O. Box 553, Charleston, WV 25322, *President*
JOHN P. BURTON, P.O. Box 1357, Suite 101, 123 E. Marcy Street, Santa Fe, NM 87501,
Division Chair

AMERICAN BAR ASSOCIATION ADVISORS

DAVID E. CARDWELL, 200 S. Orange Avenue, P.O. Box 1526, Orlando, FL 32801, *State & Local
Government Law Section Advisor*
RODNEY K. SMITH, Capital University Law School, Columbus, OH 43215, *Advisor*

EXECUTIVE DIRECTOR

FRED H. MILLER, University of Oklahoma, College of Law, 300 Timberdell Road, Norman,
OK 73019, *Executive Director*
WILLIAM J. PIERCE, 1505 Roxbury Road, Ann Arbor, MI 48104, *Executive Director Emeritus*

Copies of this Act may be obtained from:

NATIONAL CONFERENCE OF COMMISSIONERS
ON UNIFORM STATE LAWS
211 E. Ontario Street, Suite 1300
Chicago, Illinois 60611

312/915-0195
www.nccusl.org

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PREFATORY NOTE

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A high percentage of athlete agents provide valuable services which are greatly needed by student-athletes who are qualified to seek professional sports services contracts. The services usually include negotiations with professional sports organizations and securing endorsement contracts. The services may also include financial and investment management, tax planning, legal counseling and a variety of other career management services.

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Unfortunately, there are other athlete agents, or would be agents, who are motivated solely by a desire to obtain a “cut” of a student-athlete’s future income. These unscrupulous individuals are willing to use any means to obtain an agency contract with any student-athlete who has any possibility of a professional career. The multi-million dollar contracts now being offered to many student-athletes have provided additional impetus to this minority.

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The damage done by improper and illegal enticements to student-athletes is far greater than the casual observer might believe. The student-athlete who enters into an agency contract loses any remaining eligibility and may diminish his or her value in the professional sports market. Additionally, in some States, the student-athlete may be subject to civil and criminal sanctions. The educational institution (usually a college or university) attended by the student-athlete may be subject to severe financial penalties. Penalties can result either from loss of eligibility to participate in post-season events or from the effect of programs weakened by sanctions on ticket sales. Perhaps even more damaging is the impact of a “scandal” on the integrity and credibility of educational institutions and on intercollegiate sports in general.

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Since 1981 at least 28 States have enacted statutes regulating athlete agents. Those statutes are not uniform and do not provide for reciprocal registration and enforcement. Several major universities and the NCAA have asked the Conference to draft this Uniform Act and have pledged their support in securing adoption in the 50 States. The NCAA agreed to finance the drafting project.

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UNIFORM ATHLETE AGENTS ACT

SECTION 1. SHORT TITLE. This [Act] may be cited as the Uniform Athlete Agents Act.

Reporter’s Notes

The use of term “athlete agent” reflects the current usage in many States that have existing law on the same subject; e.g. Alabama [Section 8-26-1, et. seq., Code of Alabama 1975]; Colorado [Section 23-16-101, et. seq., Colorado Revised Statutes Annotated]; Iowa [Section 9A.1 et. seq., Iowa Code Annotated]; Louisiana [Louisiana Statutes Annotated, 4:424, Section 421 et. seq.]; Mississippi [Section 73-41-1, et. seq., Mississippi Code]; Missouri [Section 436.200, et. seq., Missouri Code]; North Carolina [Chapter 78C, North Carolina Code]; Oklahoma [Oklahoma Code Annotated, Section 70-821.1, et. seq.]; South Carolina [South Carolina Code Annotated, Section 59-102-10, et. seq.]; Texas [Title 132, Chapter 12, Article 8871, Vernon’s Texas Code Annotated]; and Washington [Section 18.175.010. et. seq., Washington Business and Professions Code].

SECTION 2. DEFINITIONS. In this [Act]:

(1) “Agency contract” means an agreement in which a student-athlete authorizes a person to negotiate or solicit on behalf of the student-athlete a professional-sports-services contract or an endorsement contract.

(2) “Athlete agent” means an individual who enters into an agency contract with a student-athlete or, directly or indirectly, recruits or solicits a student-athlete to enter into an agency contract. The term does not include a spouse, parent, [or] grandparent[, or guardian] of the student-athlete or an individual acting solely on behalf of a professional sports team or professional sports organization. [The term includes an individual who represents to the public that the individual is an athlete agent.]

1 (3) “Athletic director” means an individual responsible for administering the
2 overall athletic program of an educational institution or, if an educational institution
3 has separately administered programs for male students and female students, the
4 athletic program for males or the athletic program for females, as appropriate.

5 (4) “Contact” means a communication, direct or indirect, between an athlete
6 agent and a student-athlete, to recruit or solicit a student-athlete to enter into an
7 agency contract.

8 (5) “Endorsement contract” means an agreement under which a student-
9 athlete is employed or receives consideration to use on behalf of the other party any
10 value that the student-athlete may have because of publicity, reputation, following,
11 or fame obtained because of athletic ability or performance.

12 (6) “Person” means an individual, corporation, business trust, estate, trust,
13 partnership, limited liability company, association, joint venture, government;
14 governmental subdivision, agency, or instrumentality; public corporation, or any
15 other legal or commercial entity.

16 (7) “Professional-sports-services contract” means an agreement under which
17 an individual is employed or agrees to render services as a player on a professional
18 sports team, with a professional sports organization, or as a professional athlete.

19 (8) “Registration” means registration as an athlete agent pursuant to this
20 [Act].

1 (9) “State” means a State of the United States, the District of Columbia,
2 Puerto Rico, the United States Virgin Islands, or any territory or insular possession
3 subject to the jurisdiction of the United States.

4 (10) “Student-athlete” means an individual who engages in, is eligible to
5 engage in, or may be eligible in the future to engage in, any intercollegiate sport. If
6 an individual is no longer permanently eligible to participate in a particular sport, the
7 individual is not a student-athlete for purposes of that sport.

8 **Reporter’s Notes**

9 In paragraph (2), the definition of “athlete agent” includes the word “person”
10 to make it clear that the reach of the Act includes individuals and corporations.
11 However, with respect to registration, a corporation that employs athlete agents
12 would not be required to register as an athlete agent but the individuals would. The
13 term includes not only an individual who enters into an agency contract with a
14 student-athlete but also the “runners” that agents use to recruit the student-athlete
15 to sign with a particular agent. The Drafting Committee considered and decided
16 against exclusions for individuals otherwise licensed by the State, such as attorneys.
17 The Committee did not intend to require an attorney to register as an athlete agent
18 in order to render legal services, as distinguished from services as an athlete agent,
19 to a student-athlete.

20 The Drafting Committee did not intend the definition of “athlete agent” to
21 include family members providing assistance to the student-athlete. Also, the
22 Committee did not intend this definition to include a professional athlete who is
23 providing information to a student-athlete about an agent.

24 In paragraph (4), “contact” is not meant to include estimates of the position
25 in any professional draft the student-athlete could reasonably expect to have.
26 However, the Committee did intend to include within the definition of “contact”
27 communications intended to induce a student-athlete to sign an agency contract.

28 In paragraph (10), “student-athlete” is defined to allow the Act to apply to a
29 two-sport athlete who has signed a professional contract in one sport but has
30 eligibility remaining in another sport. For example, an individual who is not eligible
31 to play college baseball but is eligible to play college basketball, is not a student-
32 athlete for the purposes of baseball but is a student-athlete for the purposes of
33 basketball. Thus, the individual could retain an agent for purposes of baseball

1 representation only but could not retain an agent for basketball representation
2 without losing eligibility remaining in basketball.

3 The term “student-athlete” is also defined to include individuals who are not
4 yet in college or even eligible for college in an attempt to prevent agents from
5 inducing high school students to jeopardize their college eligibility. It is also defined
6 to include a high school dropout who may become eligible by completing a GED
7 and a high school graduate who does not go to college immediately.

8 **SECTION 3. ADMINISTRATION; SERVICE OF PROCESS;**
9 **SUBPOENAS.**

10 (a) The [Secretary of State] shall administer this [Act].

11 (b) By doing business in this State as an athlete agent a nonresident
12 individual appoints the [Secretary of State] as the individual’s agent to accept
13 service of process in any civil action related to the individual’s doing business as an
14 athlete agent in this State.

15 [(c)] [The [Secretary of State] may issue subpoenas for any relevant
16 material under this [Act].]

17 **Reporter’s Notes**

18 While, the office of the Secretary of State appears to be a likely office to
19 administer an athlete agent registration program, but a State might assign the duties
20 to another appropriate office.

21 The Committee’s intention with the addition of subsection [(c)] was to
22 provide subpoena power to the state agency administering this Act. The provision
23 of subpoena power was intended to provide the Secretary of State or other agency
24 the necessary investigative authority to obtain any relevant material that would aid
25 the agency in enforcing this Act. The Committee recognizes that some state
26 administrative procedure acts may provide agency subpoena authority that is
27 enforced in the courts.

1 **SECTION 4. ATHLETE AGENTS: REGISTRATION REQUIRED.**

2 (a) Except as otherwise provided in subsection (b), an individual may not
3 act as an athlete agent in this State before being issued a certificate of registration
4 under Section 6 or 8.

5 (b) An individual may act as an athlete agent before being issued a
6 certificate of registration for all purposes except signing an agency contract if:

7 (1) a student-athlete or an individual acting on behalf of the student-
8 athlete initiates communication with the individual; and

9 (2) within seven days after the initiation of communication, the individual
10 submits an application to register as an athlete agent in this State.

11 (c) An agency contract resulting from conduct in violation of this section is
12 void. The athlete agent shall return any consideration received under the contract.

13 **Reporter’s Notes**

14 In subsection (a), although not dealt with specifically, the Committee
15 thought it clear that an individual in State A contacting a student-athlete in State B
16 is acting as an athlete agent in both States and therefore should register in both
17 States. The intent of the Drafting Committee was to make this registration
18 requirement as broad as constitutionally permissible consistent with the minimum
19 contacts theory of *International Shoe Company v. Washington*, 326 U.S. 310
20 (1945). Agents must register with every State in which they have established
21 minimum contacts.

22 In subsection (b), the Committee intended to allow an individual to respond
23 to inquiries before being required to register as an athlete agent. The Drafting
24 Committee;s intention was not to penalize an athlete agent who responds to an
25 inquiry from a student-athlete but to ensure that any contact directed toward
26 inducing the student-athlete to sign a contract was done in accordance with the
27 requirements of this Act.

28 In subsection (c), the intention of the Drafting Committee was to discourage
29 inappropriate contacts by making any resulting agency contract void and allowing a

1 student-athlete to keep any inducement given to him or her to enter into the void
2 contract.

3 **SECTION 5. REGISTRATION AS ATHLETE AGENT; FORM;**
4 **REQUIREMENTS.**

5 (a) An applicant for registration shall submit a written application for
6 registration to the [Secretary of State] in a form prescribed by the [Secretary of
7 State]. [An application filed under this section is a public record.] Except as
8 otherwise provided in subsection (b), the application must be signed by the applicant
9 under penalty of perjury and must state or contain:

10 (1) the name of the applicant and the address of the applicant's principal
11 place of business;

12 (2) the name of the applicant's business or employer, if applicable;

13 (3) any business or occupation engaged in by the applicant for the five
14 years next preceding the date of submission of the application;

15 (4) a description of the applicant's:

16 (A) formal training as an athlete agent;

17 (B) practical experience as an athlete agent; and

18 (C) educational background relating to the applicant's activities as an
19 athlete agent;

20 (5) the names and addresses of three individuals not related to the
21 applicant who are willing to serve as references;

1 (6) the name, sport, and last known team for each individual for whom
2 the applicant provided services as an athlete agent during the five years next
3 preceding the date of submission of the application;

4 (7) the names and addresses of all persons who have a financial interest
5 in the activities of the applicant as an athlete agent, including:

6 (A) with respect to a business other than a corporation, the partners,
7 associates, or profit-sharers, other than salaried employees; and

8 (B) with respect to a corporation, the officers, directors, and any
9 shareholder with a 20% or greater interest;

10 (8) whether the applicant or any other person named pursuant to
11 paragraph (7) has been convicted of a crime that, if committed in this State, would
12 be a crime involving moral turpitude, and identify the crime;

13 (9) whether there has been any administrative or judicial determination
14 that the applicant or any other person named pursuant to paragraph (7) has made a
15 false, misleading, deceptive, or fraudulent representation;

16 (10) any instance in which the conduct of the applicant or any other
17 person named pursuant to paragraph (7) resulted in the imposition of a sanction,
18 suspension, or declaration of ineligibility to participate in an interscholastic or
19 intercollegiate athletic event on a student-athlete or educational institution;

20 (11) any sanction, suspension, or disciplinary action taken against the
21 applicant or any other person named pursuant to paragraph (7) arising out of
22 occupational or professional conduct; and

1 (12) whether there has been any denial of an application for, suspension
2 or revocation of, or refusal to renew, the registration or licensure of the applicant or
3 any other person named pursuant to paragraph (7) as an athlete agent in any State.

4 (b) An individual who has submitted an application for, and received a
5 certificate of registration or licensure as an athlete agent in another State, may
6 submit a copy of the application and a valid certificate of registration or licensure
7 from the other State in lieu of submitting an application in the form prescribed
8 pursuant to subsection (a). The [Secretary of State] shall accept the application and
9 the certificate from the other State as an application for registration in this State if
10 the application to the other State:

11 (1) was submitted in the other State within the six months next preceding
12 the submission of the application in this State and the applicant certifies the
13 information contained in the application is current;

14 (2) contains information substantially similar to or more detailed than
15 that required in an application submitted in this State; and

16 (3) was signed by the applicant under penalty of perjury.

17 **Reporter's Notes**

18 Most of the requirements in subsection (a) are fairly common to registration
19 acts. The Committee thought that paragraphs (7) through (12), inclusive, were
20 critical to evaluating the qualifications of an athlete agent.

21 With regard to (a)(6), the Committee recognized that athlete agents who are
22 attorneys may serve the client in a dual capacity. It was not the intention of the
23 Committee to interfere with attorney-client privileges. However, it was the
24 intention of the Committee to preclude the assertion of an attorney-client privilege
25 when an attorney is acting as an agent. In other words, if an attorney acts as an

1 athlete agent in negotiating an endorsement contract, the attorney would not be able
2 to assert an attorney-client privilege with respect to the existence of the contract.

3 With regard to subsection (b), representatives from the athlete agent industry
4 thought, and the Committee agreed, that it was important to allow a single
5 registration in those States enacting the Act. Thus, reciprocal registration is
6 possible as long as it is done in compliance with this section.

7 **SECTION 6. CERTIFICATE OF REGISTRATION; ISSUANCE OR**
8 **DENIAL; RENEWAL.**

9 (a) Except as otherwise provided in subsection (c), the [Secretary of State]
10 shall issue a certificate of registration to an individual who complies with Section
11 5(a). A certificate of registration is valid for [two] years.

12 (b) Except as otherwise provided in subsection (c), the [Secretary of State]
13 shall issue a certificate of registration to an individual who has complied with
14 Section 5 (b) if the [Secretary of State] determines the requirements for registration
15 or licensure in the other State are substantially similar to or more stringent than
16 those of this State.

17 (c) The [Secretary of State] may refuse to issue a certificate of registration
18 if the [Secretary of State] determines that the applicant has engaged in conduct that
19 has a significant adverse effect on the applicant's fitness to serve as an athlete agent.
20 In making the determination, the [Secretary of State] may consider whether the
21 applicant has:

22 (1) been convicted of a crime that, if committed in this State, would be a
23 crime involving moral turpitude;

1 (2) made a materially false, misleading, deceptive, or fraudulent
2 representation as an athlete agent or in the application;

3 (3) engaged in conduct that would disqualify the applicant from serving
4 in a fiduciary capacity;

5 (4) engaged in conduct prohibited by Section 14;

6 (5) had a registration or licensure as an athlete agent suspended,
7 revoked, or denied or been refused renewal of registration or licensure in any State;

8 (6) engaged in conduct or failed to engage in conduct the consequence
9 of which was that a sanction, suspension, or declaration of ineligibility to participate
10 in an interscholastic or intercollegiate athletic event was imposed on a student-
11 athlete or educational institution; or

12 (7) engaged in conduct that significantly adversely reflects on the
13 applicant's creditability, honesty or integrity.

14 (d) In making a determination under subsection (c), the [Secretary of State]
15 shall consider:

16 (1) how recently the conduct occurred;

17 (2) the nature of the conduct and the context in which it occurred; and

18 (3) any other relevant conduct of the applicant.

19 (e) An athlete agent may apply to renew a registration by submitting an
20 application for renewal in a form prescribed by the [Secretary of State]. An
21 application filed under this section is a [public record]. The application for renewal

1 must be signed by the applicant under penalty of perjury and must contain current
2 information on all matters required in an original registration.

3 (f) An individual who has submitted an application for renewal of
4 registration or licensure in another State, in lieu of submitting an application for
5 renewal in the form prescribed pursuant to subsection (e), may file a copy of the
6 application for renewal and a valid certificate of registration from the other State.
7 The [Secretary of State] shall accept the application for renewal from the other
8 State as an application for renewal in this State if the application to the other State:

9 (1) was submitted in the other State within the last six months and the
10 applicant certifies the information contained in the application for renewal is current;
11 and

12 (2) contains information substantially similar to or more detailed than
13 that required in an application for renewal submitted in this State.

14 (g) A renewal of a registration is valid for [two] years.

15 **Reporter's Notes**

16 The intention of subsections (c) and (d) is not to have certain conduct
17 automatically disqualify an individual from registration, but to allow the licensing
18 agency to make a qualitative determination of the likelihood that the individual, if
19 registered, would engage in conduct detrimental to a student-athlete or an education
20 institution, or both.

21 Additionally, while the Act does not require States to notify other States
22 when it revokes, suspends, fails to renew or denies an athlete agent a certificate of
23 registration, the Committee agreed that it would be a good practice for a State to
24 notify other States when it revokes, suspends, fails to renew or denies a certificate
25 of registration.

26 The addition of subsection (e) reflects the Committee's intention for this Act
27 to reach any person doing business in the State. If questions exist regarding the

1 application of the state long arm statute, subsection (f) may be used in addition to
2 the existing long arm statute or as an alternative.

3 The addition of subsection (f) reflects a consensus between representatives
4 from the athlete agent industry and the Committee, that it was important to allow a
5 single renewal of a certificate of registration in those States enacting the Act. Thus,
6 reciprocal renewal of a certificate of registration is possible as long as it is done in
7 compliance with this section.

8 **SECTION 7. SUSPENSION, REVOCATION, OR REFUSAL TO**
9 **RENEW REGISTRATION.**

10 [(a)] The [Secretary of State] may suspend, revoke, or refuse to renew a
11 registration for conduct that would have justified denial of registration under
12 Section 6(c).

13 [(b)] The [Secretary of State] may deny, suspend, revoke, or refuse to renew
14 a registration only after proper notice and an opportunity for a hearing. The
15 [Administrative Procedures Act] applies to this [Act].]

16 **SECTION 8. TEMPORARY REGISTRATION.** The [Secretary of State]
17 may issue a temporary certificate of registration while an application for registration
18 or renewal is pending.

19 **Reporter's Notes**

20 The Committee intended that the issuance of a temporary license should be
21 discretionary and the discretion should be cast in terms broad enough to include
22 issuing a license in contested cases. The Committee did not feel it necessary that a
23 temporary license had to be issued to protect an individual who had student-athlete
24 initiated contact with a student-athlete under Section 4(b), since all that is required
25 of the individual is that an application for registration be filed.

1 the student-athlete.

2 (e) The athlete agent shall give a copy of a completed contract to the
3 student-athlete at the time of signing.

4 **Reporter's Notes**

5 With respect to subsection (a), the Committee, in view of the disparity in
6 sophistication between the parties, thought it be important that there be a hard copy
7 of the contract.

8 In subsection (d), the Committee thought that since the student-athlete loses
9 eligibility when an agency contract is signed, a contract that does not comply with
10 this section ought to give the student-athlete the benefit of his or her bargain and
11 therefore should be voidable at the option of the student-athlete. The student-
12 athlete would exercise this option under Section 12 and would be entitled to keep
13 any inducements received from the agent. This should be contrasted with an agency
14 contract with an individual required to register as an athlete agent but who did not.
15 In that case, the Committee felt the student-athlete should not be able, in effect, to
16 ratify an unlawful agreement.

17 **SECTION 11. NOTICE TO EDUCATIONAL INSTITUTION.**

18 (a) Within 72 hours after entering into an agency contract or before the next
19 scheduled athletic event in which the student-athlete may participate, whichever
20 occurs first, the athlete agent shall give written notice of the existence of the
21 contract to the athletic director of the educational institution at which the student-
22 athlete is enrolled or the athlete agent has reasonable grounds to believe the student-
23 athlete intends to enroll.

24 (b) Within 72 hours after entering into an agency contract or before the
25 next athletic event in which the student-athlete may participate, whichever occurs
26 first, the student-athlete shall inform the athletic director of the educational

1 institution at which the student-athlete is enrolled that he or she has entered into an
2 agency contract.

3 **SECTION 12. STUDENT-ATHLETE’S RIGHT TO CANCEL.**

4 (a) A student-athlete may cancel an agency contract by giving written notice
5 to the athlete agent of the cancellation within 14 days after the contract is signed.

6 (b) A student-athlete may not waive the right to cancel an agency contract.

7 (c) If a student-athlete cancels an agency contract, the student-athlete is not
8 required to pay any consideration under the contract or return any consideration
9 received from the agent to induce the student-athlete to enter into the contract.

10 **Reporter’s Notes**

11 The Committee intended the term inducement to be construed as broadly as
12 possible so that other consideration is included even if it is not a thing of value in the
13 normal sense.

14 **SECTION 13. REQUIRED RECORDS.**

15 (a) An athlete agent shall maintain the following records for a period of five
16 years:

17 (1) the name and address of each individual represented by the athlete

18 agent;

19 (2) the amount of any compensation received;

20 (3) any agency contract entered into by the athlete agent; and

21 (4) any expenses paid or gifts provided by the athlete agent in the

22 recruitment or attempted recruitment of a student-athlete.

1 (b) Records required by subsection (a) to be maintained are open to
2 inspection by the [Secretary of State] during normal business hours.

3 **SECTION 14. PROHIBITED ACTS.**

4 (a) An athlete agent may not intentionally do any of the following to induce
5 a student-athlete to enter into an agency contract:

6 (1) give any materially false or misleading information or make a
7 materially false promise or representation;

8 (2) furnish anything of value to a student-athlete before the student-
9 athlete enters into the agency contract; or

10 (3) furnish anything of value to any individual other than the student-
11 athlete before the student-athlete enters into the agency contract.

12 (c) An athlete agent may not intentionally:

13 (1) initiate contact with a student-athlete unless registered under this
14 [Act];

15 (2) refuse or willfully fail to maintain or permit inspection of the records
16 required by Section 13;

17 (3) violate Section 4 by failing to register;

18 (4) provide materially false or misleading information in an application
19 for registration or renewal of registration; or

20 (5) predate or postdate an agency contract.

21 **Reporter's Notes**

1 The Committee recognizes that criminalizing the conduct referred to by
2 Section 14(a) raises questions about interfering in legitimate contracts where a
3 student-athlete, such as a football or basketball player who wants to forego some
4 portion of their eligibility, knowingly signs a contract with an agent that will
5 terminate his or her collegiate eligibility. However, the Committee concluded that
6 the large number of times when inducements were improperly used justified the
7 restriction, particularly when a prohibited inducement could be given after signing
8 the contract.

9 **SECTION 15. CRIMINAL PENALTIES.** The knowing commission of any
10 act prohibited by Section 14 by an athlete agent is a [misdemeanor] [felony]
11 punishable by [] and revocation of the license of the athlete agent.

12 **SECTION 16. CIVIL REMEDIES.**

13 (a) An educational institution has a right of action against an athlete agent
14 or a student-athlete, or both, for damages caused by a violation of this [Act]. In a
15 successful action under this section, an educational institution may also recover
16 costs and reasonable attorney's fees.

17 (b) Damages of an educational institution under subsection (a) include
18 losses and expenses incurred because, as a result of the activities of an athlete agent
19 or student-athlete, or both, the educational institution was injured by a violation of
20 this [Act] or was penalized, disqualified, or suspended from participation in athletics
21 by a national association for the promotion and regulation of athletics, by an athletic
22 conference, or by reasonable self-imposed disciplinary action taken to mitigate
23 sanctions.

1 (c) This [Act] does not restrict rights, remedies, or defenses under law or
2 equity.

3 (d) A right of action under this section does not accrue until the educational
4 institution discovers or by the exercise of reasonable diligence would have
5 discovered the violation by the athlete agent or student-athlete.

6 **Reporter's Notes**

7 The purpose of this section is to give a cause of action to an educational
8 institution that is sanctioned as a result of activities of an athlete agent or student-
9 athlete or both. For example, in the circumstance where an athlete agent enters into
10 an agency contract with a student-athlete and fails to notify the institution within 72
11 hours or prior to the next participation by the student-athlete and the institution is
12 disqualified from post-season participation because of that, it is the Committee's
13 intention to create a cause of action for the resulting loss of revenue. Subsection (b)
14 is not intended to limit damages to those items specified. Subsection (c) makes clear
15 the cause of action is not the exclusive cause of action or source of damages that
16 may be available.

17 **SECTION 17. ADMINISTRATIVE PENALTY.** The [Secretary of State]
18 may assess a civil penalty not to exceed [\$25,000] for a violation of this [Act].

19 **Reporter's Notes**

20 The procedure for imposing the penalty and due process procedures are left
21 to the adopting State's administrative procedure law.

22 **SECTION 18. APPLICATION AND CONSTRUCTION.** In applying and
23 construing this Uniform Act, consideration must be given to the need to promote
24 uniformity of the law with respect to its subject matter of this [Act] among States
25 that enact it.

1 **SECTION 19. SEVERABILITY.** If any provision of this [Act] or its
2 application to any person or circumstance is held invalid, the invalidity does not
3 affect other provisions or applications of this [Act] which can be given effect
4 without the invalid provision or application, and to this end the provisions of this
5 [Act] are severable.

6 **SECTION 20. REPEALS.** The following acts and parts of acts are hereby
7 repealed:

8 **SECTION 21. EFFECTIVE DATE.** This [Act] takes effect _____.