CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1712

Chapter 236, Laws of 1991

52nd Legislature 1991 Regular Session

ATHLETE AGENT REGISTRATION

EFFECTIVE DATE: 7/28/91

Passed by the House March 19, 1991 Yeas 98 Nays 0

JOE KING

Speaker of the House of Representatives

Passed by the Senate April 17, 1991 Yeas 36 Nays 11

JOEL PRITCHARD

President of the Senate

Approved May 16, 1991

CERTIFICATE

I, Alan Thompson, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL**1712 as passed by the House of Representatives and the Senate on the dates hereon set forth.

ALAN THOMPSON

Chief Clerk

FILED

May 16, 1991 - 11:00 a.m.

BOOTH GARDNER
Governor of the State of Washington

Secretary of State State of Washington

SUBSTITUTE HOUSE BILL 1712

AS AMENDED BY THE SENATE

Passed Legislature - 1991 Regular Session

State of Washington 52nd Legislature 1991 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Heavey, Lisk, Cole, Fuhrman, Wood, Betrozoff, Jacobsen, R. Meyers, Phillips, Winsley, Ferguson, Orr and Wineberry).

Read first time February 28, 1991.

- 1 AN ACT Relating to the registration of athlete agents; adding a new
- 2 chapter to Title 18 RCW; prescribing penalties; and making an
- 3 appropriation.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds it necessary to
- 6 regulate the practice of athlete agents and athlete agent firms to
- 7 protect the public health, safety, and welfare. The public has a right
- 8 to be kept informed about the role of athlete agents. The purpose of
- 9 this chapter is to help ensure that public information is available and
- 10 that the integrity of interscholastic athletics is preserved.
- 11 <u>NEW SECTION.</u> **Sec. 2.** (1) It is a violation of this chapter
- 12 for a person to practice or represent himself or herself as an athlete
- 13 agent or athlete agent firm without a certificate of registration as an
- 14 athlete agent or athlete agent firm.

- 1 (2) It is a violation of this chapter for a person other than a
- 2 registered athlete agent or an employee or representative of a
- 3 professional sport team to directly or indirectly solicit an individual
- 4 to enter into an agent contract or professional sport services contract
- 5 or procure, offer, promise, or attempt to obtain employment for an
- 6 individual with a professional sport team or as a professional athlete.
- 7 <u>NEW SECTION.</u> **Sec. 3.** Unless the context clearly requires
- 8 otherwise, the definitions in this section apply throughout this
- 9 chapter.
- 10 (1) "Department" means the department of licensing.
- 11 (2) "Director" means the director of licensing.
- 12 (3) "Athlete agent" means an individual registered under this
- 13 chapter.
- 14 (4) "Athlete agent firm" means a sole proprietorship, partnership,
- 15 association, corporation, or other entity that employs one or more
- 16 individuals to act as an athlete agent on behalf of the entity.
- 17 (5) "Agent contract" means a contract or agreement pursuant to
- 18 which a person authorizes or empowers an athlete agent to negotiate or
- 19 solicit on behalf of the person with one or more professional sport
- 20 teams for the employment of the person by a professional sport team or
- 21 to negotiate or solicit on behalf of the person for the employment of
- 22 the person as a professional athlete.
- 23 (6) "Institution of higher education" means a public or private
- 24 college or university in this state.
- 25 (7) "Professional athlete" means a person who is under contract to
- 26 a professional sports team and is no longer enrolled in an institution
- 27 of higher education as an undergraduate student.
- 28 (8) "Professional sport services contract" means a contract or
- 29 agreement pursuant to which a person is employed or agrees to render

- 1 services as a player on a professional sport team or as a professional
- 2 athlete.
- 3 (9) "Student athlete" means a person who engages in, is eligible to
- 4 engage in, or may be eligible to engage in any intercollegiate sporting
- 5 event, contest, exhibition, or program in this state. The term also
- 6 includes an individual who has applied for enrollment to an institution
- 7 of higher education. A person ceases to be a "student athlete" as soon
- 8 as his or her collegiate eligibility in the sport in which he or she is
- 9 under scholarship has expired.
- 10 <u>NEW SECTION.</u> **Sec. 4.** The registration provisions of this
- 11 chapter do not apply to a person:
- 12 (1) Who is related to the student athlete by blood or marriage;
- 13 (2) Who represents or advises no more than one student athlete in
- 14 any given year; or
- 15 (3) Who represents only professional athletes.
- 16 <u>NEW SECTION</u>. **Sec. 5**. In addition to any other authority
- 17 provided by law, the director may:
- 18 (1) Adopt rules in accordance with chapter 34.05 RCW as necessary
- 19 to implement this chapter;
- 20 (2) Establish forms and procedures as necessary to administer this
- 21 chapter;
- 22 (3) Register applicants;
- 23 (4) Hire clerical, administrative, and investigative staff as
- 24 needed to implement and administer this chapter;
- 25 (5) Maintain the official departmental record of all applicants and
- 26 registrants; and
- 27 (6) Set all registration, renewal, and late renewal fees in
- 28 accordance with RCW 43.24.086.

- 1 <u>NEW SECTION.</u> **Sec. 6.** (1) An athlete agent shall file with the
- 2 department a disclosure statement which contains all of the following:
- 3 (a) The educational background, training, and experience of the
- 4 athlete agent with respect to practice as an athlete agent;
- 5 (b) The business name and address of each athlete agent firm
- 6 represented by the athlete agent;
- 7 (c) A record of all felony convictions, or misdemeanor convictions
- 8 punishable by imprisonment, of the athlete agent and each owner,
- 9 partner, officer, or shareholder of ten percent or more of the stock of
- 10 the athlete agent firm represented by the athlete agent; and
- 11 (d) A record of any sanctions issued to or disciplinary actions
- 12 taken against the athlete agent, the athlete agent firm, or any
- 13 athlete, professional sport team, or institution of higher education as
- 14 a result of the conduct of the athlete agent or the athlete agent firm.
- 15 (2) An athlete agent shall file an updated disclosure statement
- 16 with the department within thirty days of a change in the information
- 17 required under subsection (1)(b), (c), or (d) of this section.
- 18 (3) Before entering into negotiations for an agent contract, an
- 19 athlete agent shall give to the prospective client a copy of the
- 20 current disclosure statement on file with the department.
- 21 (4) The department shall make disclosure statements available to
- 22 the public for inspection and copying.
- NEW SECTION. Sec. 7. (1) It is a gross misdemeanor punishable
- 24 according to chapter 9A.20 RCW for an athlete agent, athlete agent
- 25 firm, or any person exempt under section 4 of this act to:
- 26 (a) Induce a student athlete to enter into an agent contract or
- 27 professional sport services contract; or

- 1 (b) Enter into an agreement whereby the athletic agent offers
- 2 anything of value to an employee of an institution of higher education
- 3 in return for the referral of a student athlete by that employee.
- 4 (2) It is a class C felony punishable according to chapter 9A.20
- 5 RCW for an athlete agent, athlete agent firm, or any person exempt
- 6 under section 4 of this act to offer money or any valuable
- 7 consideration to a student athlete to induce the student athlete to
- 8 enter into a professional sports services contract.
- 9 <u>NEW SECTION.</u> **Sec. 8.** The regulation of athlete agents is a
- 10 matter affecting the public interest for the purpose of applying
- 11 chapter 19.86 RCW. Activities of athlete agents prohibited under this
- 12 chapter are not reasonable in relation to the development and
- 13 preservation of business. A violation of this chapter constitutes an
- 14 unfair or deceptive act or practice in trade or commerce for the
- 15 purpose of applying chapter 19.86 RCW.
- 16 <u>NEW SECTION.</u> **Sec. 9.** Sections 1 through 8 of this act shall
- 17 constitute a new chapter in Title 18 RCW.
- 18 <u>NEW SECTION.</u> **Sec. 10.** The sum of forty-two thousand dollars,
- 19 or as much thereof as may be necessary, is appropriated from the
- 20 general fund to the department of licensing for the biennium ending
- 21 June 30, 1993, to carry out the purposes of this act.

Passed the House March 19, 1991. Passed the Senate April 17, 1991.

Approved by the Governor May 16, 1991.

Filed in Office of Secretary of State May 16, 1991.