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HOUSE BILL 1712

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State of Washington                      52nd Legislature                      1991 Regular Session

By Representatives Heavey, Lisk, Cole, Fuhrman, Wood, Betrozoff, Jacobsen, R. Meyers, Phillips, Winsley, Ferguson, Orr and Wineberry.

Read first time February 6, 1991. Referred to Committee on Commerce & Labor.

1            AN ACT Relating to the registration of athlete agents; adding a new  
2 chapter to Title 18 RCW; and prescribing penalties.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            NEW SECTION.    **Sec. 1.**    The legislature finds it necessary to  
5 regulate the practice of athlete agents and athlete agent firms to  
6 protect the public health, safety, and welfare. The public has a right  
7 to be kept informed about the role of athlete agents. The purpose of  
8 this chapter is to help ensure that public information is available and  
9 that the integrity of interscholastic athletics is preserved.

10           NEW SECTION.    **Sec. 2.**    (1) It is a violation of this chapter for a  
11 person to practice or represent himself or herself as an athlete agent  
12 or athlete agent firm without a certificate of registration as an  
13 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 to directly or indirectly solicit an  
3 individual to enter into an agent contract or professional sport  
4 services contract or procure, offer, promise, or attempt to obtain  
5 employment for an individual with a professional sport team or as a  
6 professional athlete.

7 NEW SECTION. **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 sport services contract" means a contract or  
26 agreement pursuant to which a person is employed or agrees to render  
27 services as a player on a professional sport team or as a professional  
28 athlete.

1 (8) "Student athlete" means a person who engages in, is eligible to  
2 engage in, or may be eligible to engage in any intercollegiate sporting  
3 event, contest, exhibition, or program in this state. The term also  
4 includes an individual who has applied for enrollment to an institution  
5 of higher education.

6 NEW SECTION. **Sec. 4.** In addition to any other authority provided  
7 by law, the director may:

8 (1) Adopt rules in accordance with chapter 34.05 RCW as necessary  
9 to implement this chapter;

10 (2) Establish forms and procedures as necessary to administer this  
11 chapter;

12 (3) Register applicants;

13 (4) Hire clerical, administrative, and investigative staff as  
14 needed to implement and administer this chapter;

15 (5) Maintain the official departmental record of all applicants and  
16 registrants; and

17 (6) Set all registration, renewal, and late renewal fees in  
18 accordance with RCW 43.24.086.

19 NEW SECTION. **Sec. 5.** (1) An athlete agent shall file with the  
20 department a disclosure statement which contains all of the following:

21 (a) The educational background, training, and experience of the  
22 athlete agent with respect to practice as an athlete agent;

23 (b) The business name and address of each athlete agent firm  
24 represented by the athlete agent;

25 (c) A record of all felony convictions, or misdemeanor convictions  
26 punishable by imprisonment, of the athlete agent and each owner,  
27 partner, officer, or shareholder of ten percent or more of the stock of  
28 the athlete agent firm represented by the athlete agent; and

1 (d) A record of any sanctions issued to or disciplinary actions  
2 taken against the athlete agent, the athlete agent firm, or any  
3 athlete, professional sport team, or institution of higher education as  
4 a result of the conduct of the athlete agent or the athlete agent firm.

5 (2) An athlete agent shall file an updated disclosure statement  
6 with the department within thirty days of a change in the information  
7 required under subsection (1) (b), (c), or (d) of this section.

8 (3) Before entering into negotiations for an agent contract, an  
9 athlete agent shall give to the prospective client a copy of the  
10 current disclosure statement on file with the department.

11 (4) The department shall make disclosure statements available to  
12 the public for inspection and copying.

13 NEW SECTION. **Sec. 6.** It is a gross misdemeanor and a violation of  
14 this chapter for an athlete agent or athlete agent firm to:

15 (1) Induce a student athlete to enter into an agent contract or  
16 professional sport services contract before the student athlete's  
17 eligibility for collegiate athletics expires or before the student  
18 athlete has declared that his or her eligibility will expire; or

19 (2) Enter into an agreement whereby the athletic agent offers  
20 anything of value to an employee of an institution of higher education  
21 in return for the referral of a student athlete by that employee.

22 NEW SECTION. **Sec. 7.** The regulation of athlete agents is a matter  
23 affecting the public interest for the purpose of applying chapter 19.86  
24 RCW. Activities of athlete agents prohibited under this chapter are  
25 not reasonable in relation to the development and preservation of  
26 business. A violation of this chapter constitutes an unfair or  
27 deceptive act or practice in trade or commerce for the purpose of  
28 applying chapter 19.86 RCW.

1        NEW SECTION.    **Sec. 8.**    Sections 1 through 7 of this act shall  
2    constitute a new chapter in Title 18 RCW.