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**SUBSTITUTE HOUSE BILL 1712**

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**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; 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  
11 for a person to practice or represent himself or herself as an athlete  
12 agent 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 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 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. A person ceases to be a "student athlete" as soon  
6 as his or her collegiate eligibility in the sport in which he or she is  
7 under scholarship has expired.

8 NEW SECTION. **Sec. 4.** The provisions of this chapter do not  
9 apply to a person:

- 10 (1) Who is related to the student athlete by blood or marriage; or  
11 (2) Who represents or advises no more than one student athlete in  
12 any given year.

13 NEW SECTION. **Sec. 5.** In addition to any other authority  
14 provided by law, the director may:

- 15 (1) Adopt rules in accordance with chapter 34.05 RCW as necessary  
16 to implement this chapter;  
17 (2) Establish forms and procedures as necessary to administer this  
18 chapter;  
19 (3) Register applicants;  
20 (4) Hire clerical, administrative, and investigative staff as  
21 needed to implement and administer this chapter;  
22 (5) Maintain the official departmental record of all applicants and  
23 registrants; and  
24 (6) Set all registration, renewal, and late renewal fees in  
25 accordance with RCW 43.24.086.

26 NEW SECTION. **Sec. 6.** (1) An athlete agent shall file with the  
27 department a disclosure statement which contains all of the following:

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

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

5 (c) A record of all felony convictions, or misdemeanor convictions  
6 punishable by imprisonment, of the athlete agent and each owner,  
7 partner, officer, or shareholder of ten percent or more of the stock of  
8 the athlete agent firm represented by the athlete agent; and

9 (d) A record of any sanctions issued to or disciplinary actions  
10 taken against the athlete agent, the athlete agent firm, or any  
11 athlete, professional sport team, or institution of higher education as  
12 a result of the conduct of the athlete agent or the athlete agent firm.

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

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

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

21 NEW SECTION. **Sec. 7.** (1) It is a gross misdemeanor punishable  
22 according to chapter 9A.20 RCW for an athlete agent or athlete agent  
23 firm to:

24 (a) Induce a student athlete to enter into an agent contract or  
25 professional sport services contract; or

26 (b) Enter into an agreement whereby the athletic agent offers  
27 anything of value to an employee of an institution of higher education  
28 in return for the referral of a student athlete by that employee.

1 (2) It is a class C felony punishable according to chapter 9A.20  
2 RCW for an athlete agent or athlete agent firm to offer money or any  
3 valuable consideration to a student athlete, whether or not the offer  
4 is to induce the athlete to enter into a contract.

5 NEW SECTION. **Sec. 8.** The regulation of athlete agents is a  
6 matter affecting the public interest for the purpose of applying  
7 chapter 19.86 RCW. Activities of athlete agents prohibited under this  
8 chapter are not reasonable in relation to the development and  
9 preservation of business. A violation of this chapter constitutes an  
10 unfair or deceptive act or practice in trade or commerce for the  
11 purpose of applying chapter 19.86 RCW.

12 NEW SECTION. **Sec. 9.** Sections 1 through 8 of this act shall  
13 constitute a new chapter in Title 18 RCW.