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**SENATE BILL 5735**

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**State of Washington**                      **52nd Legislature**                      **1991 Regular Session**

**By** Senators von Reichbauer, McMullen, Anderson, Gaspard and Talmadge.

Read first time February 18, 1991. Referred to Committee on Commerce & Labor.

1            AN ACT Relating to athletic agents; adding a new chapter to Title  
2 67 RCW; and prescribing penalties.

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

4            NEW SECTION.    **Sec. 1.**            Unless the context clearly requires  
5 otherwise, the definitions in this section apply throughout this  
6 chapter.

7            (1) "Athletic agent" means a person who represents athletes for a  
8 fee for the purposes of procuring employment in the state of  
9 Washington, including negotiations with advertisers for promotional  
10 purposes, but does not include representing athletes in procuring  
11 employment for specific engagements.

12            (2) "Commission" means the state athletic commission.

1 (3) "Fee" means any money or other valuable consideration paid or  
2 promised to be paid for services rendered or to be rendered by any  
3 athletic agent under this chapter.

4 (4) "Specific engagement" means a contract for services of an  
5 athlete for a period not to exceed ten days.

6 NEW SECTION. **Sec. 2.** No person may do business or act as an  
7 athletic agent in the state of Washington unless the person has a valid  
8 license under this chapter.

9 NEW SECTION. **Sec. 3.** To qualify for a license, a person  
10 shall:

11 (1) Be eighteen years of age or older;

12 (2) Be of good moral character; and

13 (3) Have no conviction of any crime involving fraud, deceit,  
14 misrepresentation, or moral turpitude within the previous seven years.

15 NEW SECTION. **Sec. 4.** Prior to the issuance of a license to any  
16 person qualified under this chapter to act as an athletic agent, the  
17 applicant shall deposit a bond issued by a surety authorized to do  
18 business in this state in the sum of fifty thousand dollars. The  
19 surety bond shall be payable to the people of the state of Washington  
20 and shall be conditioned that the person applying for the license will  
21 comply with this chapter and will pay all sums due any individual or  
22 group of individuals when the person or his or her representative or  
23 agent has received these sums, and will pay all damages occasioned to  
24 any person by reason of misstatement, misrepresentation, fraud, deceit,  
25 or any unlawful acts or omissions of the licensed athletic agent, or  
26 his or her agents or employees, while acting within the scope of their  
27 employment.

1        NEW SECTION.    **Sec. 5.**        The commission shall issue a license to  
2 a person meeting the qualifications of this chapter upon payment of a  
3 fee to be set by the commission but not to exceed one hundred dollars.  
4 The license shall be renewed annually upon payment of a renewal fee  
5 equal to the initial licensing fee.

6        NEW SECTION.    **Sec. 6.**        The commission shall have all powers  
7 necessary to investigate the qualifications of applicants for licenses  
8 under this chapter.

9        NEW SECTION.    **Sec. 7.**        No athletic agent may divide fees with  
10 an employer, an agent, or another employee of an employer.

11       NEW SECTION.    **Sec. 8.**        An athletic agent shall be accountable  
12 to an athlete he or she represents in a fiduciary capacity and hold as  
13 trustee for such athletes any profits derived from them without their  
14 consent.

15       NEW SECTION.    **Sec. 9.**        (1) No athletic agent may induce an  
16 athlete to violate any rule or regulation of an organization governing  
17 his or her athletic activities.

18       (2) A violation of this section shall subject the athletic agent to  
19 a penalty of five thousand dollars for each violation.

20       NEW SECTION.    **Sec. 10.**       The following are prohibited acts and  
21 practices and are grounds for suspending or revoking a license issued  
22 under this chapter or for denying an application for licensure under  
23 this chapter:

24       (1) Obtaining a license by means of fraud, misrepresentation,  
25 concealment, or through the mistake or inadvertence of the commission;

1 (2) Violating any of the provisions of this chapter or rules  
2 adopted under this chapter, or failing to meet the requirements for  
3 licensure set forth in this chapter;

4 (3) Making, printing, publishing, distributing, or causing,  
5 authorizing, or knowingly permitting the making, printing, publication,  
6 or distribution of false statements, descriptions, or promises of such  
7 character as to reasonably induce a person to act thereon, if the  
8 statements, descriptions, or promises purport to be made or to be  
9 performed by the licensee and the licensee then knew or, by the  
10 exercise of reasonable care and inquiry, could have known, of the  
11 falsity of the statements, descriptions, or promises;

12 (4) Knowingly committing, or being a party to, a material fraud,  
13 misrepresentation, concealment, conspiracy, collusion, trick, scheme,  
14 or device;

15 (5) Failing, upon demand, to disclose any information within the  
16 person's knowledge or to produce a document, book, or record in the  
17 person's possession for inspection of the commission or the  
18 commission's authorized representatives acting under authority of law;  
19 and

20 (6) Being convicted of a crime involving fraud, deceit,  
21 misrepresentation, or moral turpitude.

22 NEW SECTION. **Sec. 11.** Unless otherwise specified, each  
23 violation of this chapter shall be punished by a one thousand dollar  
24 fine.

25 NEW SECTION. **Sec. 12.** The commission may adopt rules necessary  
26 for the administration of this chapter.

1        NEW SECTION.    **Sec. 13.**        Sections 1 through 12 of this act shall  
2    constitute a new chapter in Title 67 RCW.