# CERTIFICATION OF ENROLLMENT

## SUBSTITUTE SENATE BILL 6281

64th Legislature 2016 Regular Session

Passed by the Senate February 9, 2016 Yeas 48 Nays 0	CERTIFICATE
President of the Senate	I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is <b>SUBSTITUTE SENATE</b> BILL 6281 as passed by Senate and the House of Representatives on the dates hereon set forth.
Passed by the House March 1, 2016 Yeas 94 Nays 3	
	Secretary
Speaker of the House of Representatives	
Approved	FILED
Governor of the State of Washington	Secretary of State State of Washington

#### SUBSTITUTE SENATE BILL 6281

Passed Legislature - 2016 Regular Session

## State of Washington 64th Legislature 2016 Regular Session

By Senate Commerce & Labor (originally sponsored by Senators Fain, Pedersen, Baumgartner, and Frockt; by request of Uniform Law Commission)

READ FIRST TIME 01/28/16.

- 1 AN ACT Relating to athlete agents; amending RCW 19.225.010,
- 2 19.225.020, 19.225.030, 19.225.040, 19.225.050, 19.225.060,
- 3 19.225.070, 19.225.080, 19.225.090, 19.225.100, and 19.225.120; and
- 4 adding a new section to chapter 19.225 RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 19.225.010 and 2002 c 131 s 2 are each amended to read as follows:
- 8 In this chapter:
- 9 (1) "Agency contract" means an agreement in which a 10 student((-))athlete authorizes a person to negotiate or solicit on 11 behalf of the ((student-))athlete a professional-sports-services 12 contract or an endorsement contract.
- 13 (2)(a) "Athlete agent" means an individual who ((enters into an 14 agency contract with a student-athlete or,)):
- 15 <u>(i) Directly</u> or indirectly, recruits or solicits a 16 student((-))athlete to enter into an agency contract or, for
- 17 compensation, procures employment or offers, promises, attempts, or
- 18 negotiates to obtain employment for a student athlete as a
- 19 professional athlete or member of a professional sports team or
- 20 organization;

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1 (ii) For compensation or in anticipation of compensation related 2 to a student athlete's participation in athletics:

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- (A) Serves the athlete in an advisory capacity on a matter related to finances, business pursuits, or career management decisions, unless the individual is an employee of an educational institution acting exclusively as an employee of the institution for the benefit of the institution; or
- 8 (B) Manages the business affairs of the athlete by providing 9 assistance with bills, payments, contracts, or taxes; or
- 10 <u>(iii) In anticipation of representing a student athlete for a</u>
  11 purpose related to the athlete's participation in athletics:
  - (A) Gives consideration to the student athlete or another person;
- 13 <u>(B) Serves the athlete in an advisory capacity on a matter</u>
  14 <u>related to finances, business pursuits, or career management</u>
  15 decisions; or
- 16 <u>(C) Manages the business affairs of the athlete by providing</u>
  17 <u>assistance with bills, payments, contracts, or taxes.</u>
  - (b) "Athlete agent" does not include an individual who:
- 19 <u>(i) Acts solely on behalf of a professional sports team or</u> 20 organization; or
- 21 <u>(ii) Is a licensed, registered, or certified professional and</u> 22 <u>offers or provides services to a student athlete customarily provided</u> 23 by members of the profession, unless the individual:
- 24 <u>(A) Also recruits or solicits the athlete to enter into an agency</u> 25 <u>contract;</u>
  - (B) Also, for compensation, procures employment or offers, promises, attempts, or negotiates to obtain employment for the athlete as a professional athlete or member of a professional sports team or organization; or
  - (C) Receives consideration for providing the services calculated using a different method than for an individual who is not a student athlete. ((The term does not include a spouse, parent, sibling, grandparent, or legal 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.))
- 37 (3) "Athletic director" means ((an)) the individual responsible 38 for administering the overall athletic program of an educational 39 institution or, if an educational institution has separately 40 administered athletic programs for male students and female students,

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- the athletic program for males or the athletic program for females, as appropriate.
- 3 (4) "Contact" means a communication, direct or indirect, between 4 an athlete agent and a student((-))athlete, to recruit or solicit the 5 student((-))athlete to enter into an agency contract.

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- (5) <u>"Educational institution" includes a public or private</u> elementary school, secondary school, technical or vocational school, community college, college, and university.
- (6) "Endorsement contract" means an agreement under which a student((-))athlete is employed or receives consideration to use on behalf of the other party any value that the student((-))athlete may have because of publicity, reputation, following, or fame obtained because of athletic ability or performance.
- 14 ((<del>(6)</del>)) <u>(7) "Enrolled" means registered for courses and attending</u> 15 <u>athletic practice or class. "Enrolls" has a corresponding meaning.</u>
  - (8) "Intercollegiate sport" means a sport played at the collegiate level for which eligibility requirements for participation by a student((-))athlete are established by a national association ((for the promotion or regulation of)) that promotes or regulates collegiate athletics.
- 21 ((<del>(7)</del>)) <u>(9) "Interscholastic sport" means a sport played between</u> 22 <u>educational institutions that are not community colleges, colleges,</u> 23 or universities.
  - (10) "Licensed, registered, or certified professional" means an individual licensed, registered, or certified as an attorney, dealer in securities, financial planner, insurance agent, real estate broker or sales agent, tax consultant, accountant, or member of a profession, other than that of athlete agent, who is licensed, registered, or certified by the state or a nationally recognized organization that licenses, registers, or certifies members of the profession on the basis of experience, education, or testing.
- 32 (11) "Person" means an individual, estate, business or nonprofit
  33 entity, public corporation, ((business trust, estate, trust,
  34 partnership, limited liability company, association, joint venture,
  35 er)) government((÷)) or governmental subdivision, agency, or
  36 instrumentality((÷ public corporation;)), or any other legal or
  37 commercial entity.
- ((<del>(8)</del>)) <u>(12)</u> "Professional-sports-services contract" means an agreement under which an individual is employed <u>as a professional</u> athlete or agrees to render services as a player on a professional

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- sports  $team((\tau))$  or with a professional sports organization(( $\tau$  or as a professional athlete)).
- ((+9)) (13) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.
- 6 ((<del>(10)</del>)) <u>(14) "Recruit or solicit" means the attempt to influence</u> the choice of an athlete agent by a student athlete or, if the 7 athlete is a minor, a parent or guardian of the athlete. The term 8 does not include giving advice on the selection of a particular 9 athlete agent in a family, coaching, or social situation unless the 10 individual giving the advice does so because of the receipt or 11 12 anticipated receipt of an economic benefit, directly or indirectly, 13 from the athlete agent.
- 14 <u>(15) "Sign" means, with present intent to authenticate or adopt a</u> 15 <u>record:</u>
  - (a) To execute or adopt a tangible symbol; or

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- 17 <u>(b) To attach to or logically associate with the record an</u> 18 <u>electronic symbol, sound, or process.</u>
- (16) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.
  - $((\frac{11}{11}))$  (17) "Student((-))athlete" means an individual who <u>is</u> eligible to attend an educational institution and engages in, is eligible to engage in, or may be eligible in the future to engage in, any <u>interscholastic or</u> intercollegiate sport.  $((\frac{1}{11}))$  The term does not include an individual  $((\frac{1}{11}))$  permanently ineligible to participate in a particular <u>interscholastic or</u> intercollegiate sport((, the individual is not a student-athlete)) for ((purposes of)) that sport.
- 31 **Sec. 2.** RCW 19.225.020 and 2002 c 131 s 3 are each amended to read as follows:
- By ((engaging in the business of)) acting as an athlete agent in this state, a nonresident individual appoints the secretary of state as the individual's agent ((to accept)) for service of process in any civil action in this state related to ((the individual's business)) acting as an athlete agent in this state.

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1 **Sec. 3.** RCW 19.225.030 and 2002 c 131 s 4 are each amended to 2 read as follows:

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- (1) Except as otherwise provided in subsection (2) of this section, an individual may not act as an athlete agent in this state unless on the day of initial contact with any student((-))athlete the athlete agent delivers to the student((-))athlete the athlete agent disclosure form as required by RCW 19.225.040.
- 8 (2) An individual may act as an athlete agent before delivering 9 an athlete agent disclosure form for all purposes except signing an 10 agency contract if:
- 11 (a) A student((-))athlete or another <u>person</u> acting on behalf of 12 the ((<del>student-</del>))athlete initiates communication with the individual; 13 and
- 14 (b) ((Within)) Not later than seven days after an initial act as 15 an athlete agent, the individual delivers an athlete agent disclosure 16 form to the student((-))athlete.
- 17 (3) An agency contract resulting from conduct in violation of this section is void((-)), and the athlete agent shall return any consideration received under the contract.
- 20 **Sec. 4.** RCW 19.225.040 and 2002 c 131 s 5 are each amended to 21 read as follows:
- 22 (1) The athlete agent disclosure form must be in a record 23 executed in the name of an individual and signed by the athlete agent 24 under penalty of perjury and, except as otherwise provided in 25 subsection (2) of this section, must ((state or)) contain at least 26 the following:
- 27 (a) The name of the athlete agent and the following contact 28 information for the agent:
- 29 <u>(i) The address of the athlete agent's principal place of</u> 30 business;
- 31 (ii) Work and mobile telephone numbers; and
- (iii) Any means of communicating electronically, including a facsimile number, email address, and personal and business or employer web sites;
- 35 (b) The name of the athlete agent's business or employer, if 36 applicable, including for each business or employer, its mailing 37 address, telephone number, organization form, and nature of the 38 business;

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- 1 (c) ((Any)) <u>Each social media account with which the athlete</u>
  2 agent or the agent's business or employer is affiliated;
  - (d) Each business or occupation in which the athlete agent engaged ((in by the athlete agent for the)) within five years ((next preceding)) before the date of execution of the athlete agent disclosure form, including self-employment and employment by others, and any professional or occupational license, registration, or certification held by the agent during that time;
- 9 ((<del>(d)</del>)) <u>(e)</u> A description of the athlete agent's:
- 10 (i) Formal training as an athlete agent;

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- (ii) Practical experience as an athlete agent; and
- 12 (iii) Educational background relating to the athlete agent's activities as an athlete agent;
- 14 ((<del>e) The names and addresses of three individuals not related to the athlete agent who are willing to serve as references;</del>))
  - (f) The name((, sport, and last known team for each individual)) of each student athlete for whom the athlete agent ((provided services)) acted as an athlete agent ((during)) within the five years ((next preceding)) before the date of execution of the athlete agent disclosure form or, if the individual is a minor, the name of the parent or guardian of the minor, together with the athlete's sport and last-known team;
- 23 (g) The names and addresses of ((all persons who are)) each 24 person that:
  - (i) ((With respect to the athlete agent's business if it is not a corporation, the partners, officers, associates, or profit-sharers))

    Is a partner, member, officer, manager, associate, or profit sharer or directly or indirectly holds an equity interest of five percent or greater of the athlete agent's business if it is not a corporation; and
  - (ii) ((With respect to a corporation employing the athlete agent, the officers, directors, and any shareholder of the corporation with a five percent or greater interest)) Is an officer or director of a corporation employing the athlete agent or a shareholder having an interest of five percent or greater in the corporation;
- (h) A description of the status of any application by the athlete agent, or any person named under (g) of this subsection, for a state or federal business, professional, or occupational license, other than as an athlete agent, from a state or federal agency, including

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- any denial, refusal to renew, suspension, withdrawal, or termination of the license and any reprimand or censure related to the license;
  - (i) Whether the athlete agent or any other person named pursuant to (g) of this subsection <u>has pleaded guilty or no contest to</u>, has been convicted of, or has charges pending for, a ((<del>crime that, if committed in this state, would be a</del>)) felony or other crime involving moral turpitude, and ((<del>identify</del>)), if so, identification of:
    - (i) The crime;

- $((\frac{(i)}{(i)}))$  (ii) The law enforcement agency involved; and
- 10 <u>(iii) If applicable, the date of the conviction and the fine or</u> 11 <u>penalty imposed;</u>
  - (j) Whether, within fifteen years before the date of execution of the athlete agent disclosure form, the athlete agent, or any person named under (g) of this subsection, has been a defendant or respondent in a civil proceeding, including a proceeding seeking an adjudication of legal incompetence and, if so, the date and a full explanation of each proceeding;
  - (k) Whether the athlete agent, or any person named under (g) of this subsection, has an unsatisfied judgment or a judgment of continuing effect, including maintenance or a domestic order in the nature of child support, which is not current at the date of execution of the athlete agent disclosure form;
  - (1) Whether, within ten years before the execution of the athlete agent disclosure form, the athlete agent, or any person named under (g) of this subsection, was adjudicated bankrupt or was an owner of a business that was adjudicated bankrupt;
  - (m) Whether there has been any administrative or judicial
    determination that the athlete agent, or any other person named
    ((pursuant to)) under (g) of this subsection ((has)), made a false,
    misleading, deceptive, or fraudulent representation;
- $((\frac{k)}{Any}))$  (o) Each sanction, suspension, or disciplinary action taken against the athlete agent, or any other person named ((pursuant te)) under (g) of this subsection, arising out of occupational or professional conduct; ((and

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- (1)) (p) Whether there has been ((any)) <u>a</u> denial of an application for, suspension or revocation of, ((or)) refusal to renew, <u>or abandonment of</u>, the registration ((or licensure)) of the athlete agent, or any other person named ((pursuant to)) <u>under</u> (g) of this subsection, as an athlete agent in any state;
- 6 (q) Each state in which the applicant currently is registered as
  7 an athlete agent or has applied to be registered as an athlete agent;
  8 and
- 9 <u>(r) If the athlete agent is certified or registered by a</u>
  10 professional league or players association:
  - (i) The name of the league or association;

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- 12 <u>(ii) The date of certification or registration, and the date of</u> 13 expiration of the certification or registration, if any; and
- (iii) If applicable, the date of any denial of an application for, suspension or revocation of, refusal to renew, withdrawal of, or termination of, the certification or registration or any reprimand or censure related to the certification or registration.
  - (2) Instead of delivering an athlete agent disclosure form pursuant to subsection (1) of this section, an individual who ((has submitted an application for, and received a certificate of or a renewal of a certificate of, registration)) is registered or ((licensure)) licensed as an athlete agent in another state may ((submit a copy of the application and a valid certificate of registration or licensure from the other state in lieu of submitting an athlete agent disclosure form in the form prescribed pursuant to subsection (1) of this section, but only if the application to the other state:
  - (a) Was submitted in the other state within the six months next preceding the date of delivery of the athlete agent disclosure form in this state and the athlete agent certifies the information contained in the application is current;
  - (b) Contains information substantially similar to or more comprehensive than that required in an athlete agent disclosure form under subsection (1) of this section; and
- 35 (c) Was signed by the athlete agent under penalty of perjury.))
  36 deliver:
- 37 <u>(a) A copy of the application for registration or licensure in</u> 38 the other state;

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- 1 (b) A statement that identifies any material change in the 2 information on the application or verifies there is no material 3 change in the information, signed under penalty of perjury; and
- 4 <u>(c) A copy of the valid certificate of registration or licensure</u> 5 from the other state.
- 6 **Sec. 5.** RCW 19.225.050 and 2002 c 131 s 6 are each amended to 7 read as follows:

8 No person may engage in the business of an athlete agent who has:

- 9 (1) <u>Pleaded quilty or no contest to, has been convicted of, or</u>
  10 <u>has charges pending for,</u> a ((<del>crime that, if committed in this state,</del>
  11 <del>would be a</del>)) felony or other crime involving moral turpitude;
- 12 (2) Made a materially false, misleading, deceptive, or fraudulent 13 representation as an athlete agent or in the application for 14 licensure or registration as an athlete agent in another state;
  - (3) Engaged in conduct prohibited by RCW 19.225.100;

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- 16 (4) Had a registration or licensure as an athlete agent 17 suspended, revoked, or denied ((<del>or been refused renewal of</del> 18 <del>registration or licensure</del>)) in any state; ((<del>or</del>))
- 19 (5) <u>Been refused renewal of registration as an athlete agent in</u> 20 <u>any state; or</u>
  - (6) Engaged in conduct ((or failed to engage in conduct the consequence of which was that)) resulting in imposition of a sanction, suspension, or declaration of ineligibility to participate in an interscholastic ((or)), intercollegiate, or professional athletic event ((was imposed)) on a student((-))athlete or a sanction on an educational institution.
- 27 **Sec. 6.** RCW 19.225.060 and 2002 c 131 s 7 are each amended to 28 read as follows:
  - (1) An agency contract must be in a record signed by the parties.
    - (2) An agency contract must ((state or)) contain:
- 31 (a) The amount and method of calculating the consideration to be 32 paid by the student((-))athlete for services to be provided by the 33 athlete agent under the contract and any other consideration the 34 athlete agent has received or will receive from any other source for 35 entering into the contract or for providing the services;
- (b) The name of any person other than the athlete agent who will be compensated because the student((-))athlete signed the ((agency)) contract;

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- 1 (c) A description of any expenses ((that)) the 2 student((-))athlete agrees to reimburse;
- 3 (d) A description of the services to be provided to the
  4 ((student-))athlete;
  - (e) The duration of the contract; and
- 6 (f) The date of execution.

7 (3) <u>Subject to subsection (7) of this section, and agency contract</u>
8 must contain((, in close proximity to the signature of the student—
9 athlete,)) a conspicuous notice in boldface type ((in capital letters
10 stating)) and in substantially the following form:

### 11 WARNING TO STUDENT((-))ATHLETE

- IF YOU SIGN THIS CONTRACT:
- 13 (a) YOU MAY LOSE YOUR ELIGIBILITY TO COMPETE AS A 14 STUDENT((-))ATHLETE IN YOUR SPORT;
  - (b) BOTH YOU AND YOUR ATHLETE AGENT ((ARE REQUIRED TO TELL)) MUST NOTIFY YOUR ATHLETIC DIRECTOR, IF YOU HAVE AN ATHLETIC DIRECTOR, AT LEAST SEVENTY-TWO HOURS PRIOR TO ENTERING INTO AN AGENCY CONTRACT THAT YOU INTEND TO ENTER INTO THIS CONTRACT AND PROVIDE THE NAME AND CONTACT INFORMATION OF THE ATHLETE AGENT AND AGAIN WITHIN SEVENTY-TWO HOURS AFTER ENTERING INTO AN AGENCY CONTRACT THAT YOU HAVE ENTERED INTO THIS CONTRACT AND PROVIDE THE NAME AND CONTACT INFORMATION OF THE ATHLETE AGENT; AND
- (c) YOU MAY CANCEL THIS CONTRACT WITHIN ((FOURTEEN)) <u>14</u> DAYS
  AFTER SIGNING IT. CANCELLATION OF ((THE)) <u>THIS</u> CONTRACT MAY NOT
  REINSTATE YOUR ELIGIBILITY AS A STUDENT ATHLETE IN YOUR SPORT.
  - (4) ((A copy of the athlete agent disclosure form delivered to the student-athlete shall be attached to the agency contract.)) An agency contract must be accompanied by a separate record signed by the student athlete or, if the athlete is a minor, the parent or quardian of the athlete acknowledging that signing the contract may result in the loss of the athlete's eligibility to participate in the athlete's sport.
  - (5) ((An agency contract that does not conform to this section is voidable by the student-athlete.)) A student athlete or, if the athlete is a minor, the parent or guardian of the athlete may void an agency contract that does not conform to this section. If the contract is voided, any consideration received from the athlete agent under the contract to induce entering into the contract is not required to be returned.

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(6) ((The athlete agent shall give a copy of the signed agency contract to the student-athlete at the time of signing.)) At the time an agency contract is executed, the athlete agent shall give the student athlete or, if the athlete is a minor, the parent or guardian of the athlete a copy in a record of the contract and the separate acknowledgment required in subsection (4) of this section.

- (7) If a student athlete is a minor, an agency contract must be signed by the parent or guardian of the minor and the notice required by subsection (3) of this section must be revised accordingly.
- **Sec. 7.** RCW 19.225.070 and 2002 c 131 s 8 are each amended to 11 read as follows:
- (1) ((At least)) In this section, "communicating or attempting to communicate" means contacting or attempting to contact by an inperson meeting, a record, or any other method that conveys or attempts to convey a message.
  - (2) Not later than seventy-two hours prior to entering into an agency contract and again not later than seventy-two hours after entering into an agency contract, or before the next scheduled athletic event in which the student athlete may participate, whichever occurs first, the athlete agent shall give notice in a record of the existence of the contract ((and shall provide a copy of the athlete agent disclosure form)) to the athletic director of the educational institution at which the ((student—))athlete is enrolled or at which the athlete agent has reasonable grounds to believe the ((student—))athlete intends to enroll.
  - (((2) Within seventy-two hours after entering into an agency contract or before the next scheduled athletic event in which the student-athlete may participate, whichever occurs first, the athlete agent shall give notice in a record of the existence of the contract and shall provide a copy of the athlete agent disclosure form to the athletic director of the educational institution at which the student-athlete is enrolled or the athlete agent has reasonable grounds to believe the student-athlete intends to enroll.))
  - (3) ((At least seventy-two hours prior to entering into an agency contract, the student-athlete shall give notice in a record of the existence of the contract and shall provide a copy of the athlete agent disclosure form to the athletic director of the educational institution at which the student-athlete is enrolled.

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(4) Within)) Not later than seventy-two hours prior to entering into an agency contract and again not later than seventy-two hours after entering into an agency contract or before the next scheduled athletic event in which the student((-))athlete may participate, whichever occurs first, the ((student-))athlete shall inform the athletic director of the educational institution at which the ((student-))athlete is enrolled that ((he or she)) the athlete has entered into an agency contract and ((shall provide a copy of the athlete agent disclosure form)) the name and contact information of the athlete agent.

- (4) If an athlete agent enters into an agency contract with a student athlete and the athlete subsequently enrolls at an educational institution, the athlete agent shall notify the athletic director of the institution of the existence of the contract not later than seventy-two hours after the athlete agent knew or should have known the athlete enrolled.
- (5) If an athlete agent has a relationship with a student athlete before the athlete enrolls in an educational institution and receives an athletic scholarship from the institution, the athlete agent shall notify the institution of the relationship not later than ten days after the enrollment if the athlete agent knows or should have known of the enrollment and:
- 23 <u>(a) The relationship was motivated in whole or part by the</u>
  24 <u>intention of the athlete agent to recruit or solicit the athlete to</u>
  25 enter an agency contract in the future; or
  - (b) The athlete agent directly or indirectly recruited or solicited the athlete to enter an agency contract before the enrollment.
  - (6) An athlete agent shall give notice in a record to the athletic director of any educational institution at which a student athlete is enrolled before the athlete agent communicates or attempts to communicate with:
  - (a) The athlete or, if the athlete is a minor, a parent or guardian of the athlete, to influence the athlete or parent or guardian to enter into an agency contract; or
- 36 <u>(b) Another individual to have that individual influence the</u>
  37 <u>athlete or, if the athlete is a minor, the parent or guardian of the</u>
  38 <u>athlete to enter into an agency contract.</u>
- (7) If a communication or attempt to communicate with an athlete agent is initiated by a student athlete or another individual on

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- 1 behalf of the athlete, the athlete agent shall notify in a record the
- 2 <u>athletic director of any educational institution at which the athlete</u>
- 3 is enrolled. The notification must be made not later than ten days
- 4 after the communication or attempt.
- 5 (8) An educational institution that becomes aware of a violation
- 6 of this act by an athlete agent shall notify any professional league
- 7 or players association with which the institution is aware the
- 8 athlete agent is licensed or registered of the violation.
- 9 **Sec. 8.** RCW 19.225.080 and 2002 c 131 s 9 are each amended to 10 read as follows:
- 11 (1) A student((-))athlete or, if the athlete is a minor, the
- 12 parent or guardian of the athlete may cancel an agency contract by
- 13 giving notice in a record of cancellation to the athlete agent ((of
- 14 the cancellation within)) not later than fourteen days after the
- 15 contract is signed.
- 16 (2) A student((-))athlete or, if the athlete is a minor, the
- 17 parent or guardian of the athlete may not waive the right to cancel
- 18 an agency contract.
- 19 (3) If a student((-))athlete, parent, or guardian cancels an
- 20 agency contract, the ((student-))athlete, parent, or guardian is not
- 21 required to pay any consideration under the contract or to return any
- 22 consideration received from the <u>athlete</u> agent to ((<del>induce</del>)) <u>influence</u>
- 23 the ((student-))athlete to enter into the contract.
- 24 Sec. 9. RCW 19.225.090 and 2002 c 131 s 10 are each amended to
- 25 read as follows:
- 26 (1) An athlete agent shall <u>create and</u> retain ((<del>the following</del>
- 27 records)) for ((a period of)) five years records of the following:
- 28 (a) The name and address of each individual represented by the
- 29 athlete agent;
- 30 (b) ((Any)) <u>Each</u> agency contract entered into by the athlete
- 31 agent; and
- 32 (c) ((Any)) The direct costs incurred by the athlete agent in the
- 33 recruitment or solicitation of ((a)) <u>each</u> student((-))athlete <u>to</u>
- 34 enter into an agency contract.
- 35 (2) Records ((required by)) described in subsection (1) of this
- 36 section ((to be retained)) are subject to subpoena in a judicial
- 37 proceeding.

1 **Sec. 10.** RCW 19.225.100 and 2002 c 131 s 11 are each amended to read as follows:

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- (1) An athlete agent, with the intent to influence a student athlete or, if the athlete is a minor, a parent or guardian of the athlete to enter into an agency contract, may not ((do)) take any of the following ((with the intent to induce a student-athlete to enter into an agency contract)) actions or encourage any other individual to take or assist any other individual in taking any of the following
- 10 (a) Give ((any)) materially false or misleading information or 11 make a materially false promise or representation;

actions on behalf of the athlete agent:

- 12 (b) Furnish anything of value to ((a student-athlete)) the 13 athlete before the ((student-))athlete enters into the ((agency)) 14 contract; or
- 15 (c) Furnish anything of value to ((any)) an individual other than the ((student-))athlete or another registered athlete agent.
- 17 (2) An athlete agent may not intentionally <u>do any of the</u>
  18 <u>following or encourage any other individual to do any of the</u>
  19 following on behalf of the agent:
  - (a) Initiate contact, directly or indirectly, with a student((-))athlete or, if the athlete is a minor, a parent or guardian of the athlete, to recruit or solicit the athlete, parent, or guardian to enter an agency contract unless providing the ((student-))athlete with the athlete agent disclosure form as provided in RCW 19.225.030;
  - (b) Refuse or willfully fail to retain or produce in response to subpoena the records required by RCW 19.225.090;
    - (c) Fail to disclose information required by RCW 19.225.040;
- 29 (d) Provide materially false or misleading information in an 30 athlete agent disclosure form;
  - (e) Predate or postdate an agency contract;
- (f) Fail to notify a student((-))athlete ((prior to the studentathlete's signing)) or, if the athlete is a minor, a parent or
  quardian of the athlete, before the athlete, parent, or quardian
  signs an agency contract for a particular sport that the signing ((by
  the student-athlete)) may make the ((student-))athlete ineligible to
  participate as a student((-))athlete in that sport;
- 38 (g) Ask or allow a student((-))athlete to waive or attempt to
  39 waive rights under this chapter;
  - (h) Fail to give notice required under RCW 19.225.070; or

- 1 (i) Engage in the business of an athlete agent in this state: (A)
  2 At any time after conviction under RCW 19.225.110; or (B) within five
  3 years of entry of a civil judgment under RCW 19.225.120.
  - Sec. 11. RCW 19.225.120 and 2002 c 131 s 13 are each amended to read as follows:

- (1) An educational institution ((has a right of)) or student athlete may bring an action for damages against an athlete agent ((or a former student-athlete for damages caused by a)) if the institution or athlete is adversely affected by an act or omission of the agent in violation of this chapter. ((In an action under this section, the court may award to the prevailing party costs and reasonable attorneys' fees.
- (2) Damages of an educational institution under subsection (1) of this section include losses and expenses incurred because, as a result of the activities of an athlete agent or former student—athlete, the educational institution was injured by a violation of this chapter or was penalized, disqualified, or suspended from participation in athletics by a national association for the promotion and regulation of athletics, by an athletic conference, or by reasonable self-imposed disciplinary action taken to mitigate sanctions.
- (3) A right of action under this section does not accrue until the educational institution discovers or by the exercise of reasonable diligence would have discovered the violation by the athlete agent or former student-athlete.
- (4) Any liability of the athlete agent or the former studentathlete under this section is several and not joint.
- (5) This chapter does not restrict rights, remedies, or defenses of any person under law or equity.)) An educational institution or student athlete is adversely affected by an act or omission of the athlete agent only if, because of the act or omission, the institution or an individual who was a student athlete at the time of the act or omission and enrolled in the institution:
- (a) Is suspended or disqualified from participation in an interscholastic or intercollegiate sport event by or under the rules of a state or national federation or association that promotes or regulates interscholastic or intercollegiate sports; or
  - (b) Suffers financial damage.

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(2) A plaintiff that prevails in an action under this section may recover actual damages and costs, and reasonable attorneys' fees. An athlete agent found liable under this section forfeits any right of payment for anything of benefit or value provided to the student athlete and shall refund any consideration paid to the athlete agent by or on behalf of the athlete.

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- 7 (3) A violation of this chapter is not reasonable in relation to
  8 the development and preservation of business and is an unfair or
  9 deceptive act in trade and commerce and an unfair method of
  10 competition for the purposes of applying the consumer protection act,
  11 chapter 19.86 RCW.
- NEW SECTION. Sec. 12. A new section is added to chapter 19.225 RCW to read as follows:
- This act modifies, limits, or supersedes the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Sec. 7001 et seq., but does not modify, limit, or supersede Section 101(c) of that act, 15 U.S.C. Sec. 7001(c), or authorize electronic delivery of any of the notices described in Section 103(b) of that act, 15 U.S.C. Sec. 7003(b).

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