92\_HB0375 LRB9202589TAtm

- 1 AN ACT to create the Uniform Athlete Agents Act.
- 2 Be it enacted by the People of the State of Illinois,
- 3 represented in the General Assembly:
- 4 Section 1. Short title. This Act may be cited as the
- 5 Uniform Athlete Agents Act.

- 6 Section 2. Definitions. In this Act:
  - (1) "Agency contract" means an agreement in which a student-athlete authorizes a person to negotiate or solicit on behalf of the student-athlete a professional-sports-services contract or an endorsement contract.
    - into an agency contract with a student-athlete or, directly or indirectly, recruits or solicits a student-athlete to enter into an agency contract. The term includes an individual who represents to the public that the individual is an athlete agent. The term does not include a spouse, parent, sibling, grandparent, or guardian of the student-athlete or an individual acting solely on behalf of a professional sports team or professional sports organization.
    - (3) "Athletic director" means an individual responsible for administering the overall athletic program of an educational institution or, if an educational institution has separately administered athletic programs for male students and female students, the athletic program for males or the athletic program for females, as appropriate.
- 29 (4) "Contact" means a communication, direct or 30 indirect, between an athlete agent and a student-athlete, 31 to recruit or solicit the student-athlete to enter into

1 an agency contract.

- (4.5) "Department" means the Department of Professional Regulation.
  - (5) "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.
  - (6) "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 collegiate athletics.
  - (7) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, government; governmental subdivision, agency, or instrumentality; public corporation, or any other legal or commercial entity.
  - (8) "Professional-sports-services contract" means an agreement under which an individual is employed, or agrees to render services, as a player on a professional sports team, with a professional sports organization, or as a professional athlete.
  - (9) "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.
  - (10) "Registration" means registration as an athlete agent pursuant to this Act.
  - (11) "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.

- 1 (12) "Student-athlete" means an individual who
  2 engages in, is eligible to engage in, or may be eligible
  3 in the future to engage in, any intercollegiate sport.
  4 If an individual is permanently ineligible to participate
  5 in a particular intercollegiate sport, the individual is
  6 not a student-athlete for purposes of that sport.
- 7 Section 3. Service of process; subpoenas.
- 8 (a) By acting as an athlete agent in this State, a
  9 nonresident individual appoints the Department as the
  10 individual's agent for service of process in any civil action
  11 in this State related to the individual's acting as an
  12 athlete agent in this State.
- 13 (b) The Department may issue subpoenas for any material 14 that is relevant to the administration of this Act.
- Section 4. Athlete agents: registration required; void contracts.
- 17 (a) Except as otherwise provided in subsection (b), an 18 individual may not act as an athlete agent in this State 19 without holding a certificate of registration under Section 6 20 or 8.
- 21 (b) Before being issued a certificate of registration, 22 an individual may act as an athlete agent in this state for 23 all purposes except signing an agency contract, if:
- 24 (1) a student-athlete or another person acting on 25 behalf of the student-athlete initiates communication 26 with the individual; and
- 27 (2) within seven days after an initial act as an 28 athlete agent, the individual submits an application for 29 registration as an athlete agent in this State.
- 30 (c) An agency contract resulting from conduct in 31 violation of this section is void and the athlete agent shall 32 return any consideration received under the contract.

Τ	Section 5. Registration as athlete agent; form;
2	requirements.
3	(a) An applicant for registration shall submit an
4	application for registration to the Department in a form
5	prescribed by the Department. An application filed under this
6	Section is a public record. The application must be in the
7	name of an individual and, except as otherwise provided in
8	subsection (b), signed or otherwise authenticated by the
9	applicant under penalty of perjury and state or contain:
10	(1) the name of the applicant and the address of
11	the applicant's principal place of business;
12	(2) the name of the applicant's business or
13	employer, if applicable;
14	(3) any business or occupation engaged in by the
15	applicant for the five years next preceding the date of
16	submission of the application;
17	(4) a description of the applicant's:
18	(A) formal training as an athlete agent;
19	(B) practical experience as an athlete agent;
20	and
21	(C) educational background relating to the
22	applicant's activities as an athlete agent;
23	(5) the names and addresses of three individuals
24	not related to the applicant who are willing to serve as
25	references;
26	(6) the name, sport, and last known team for each
27	individual for whom the applicant acted as an athlete
28	agent during the five years next preceding the date of
29	submission of the application;
30	(7) the names and addresses of all persons who are:
31	(A) with respect to the athlete agent's
32	business if it is not a corporation, the partners,
33	members, officers, managers, associates, or
34	profit-sharers of the business; and

1	(B) with respect to a corporation employing
2	the athlete agent, the officers, directors, and any
3	shareholder of the corporation having an interest of
4	five percent or greater;

- (8) whether the applicant or any person named pursuant to paragraph (7) has been convicted of a crime that, if committed in this State, would be a crime involving moral turpitude or a felony, and identify the crime;
- (9) whether there has been any administrative or judicial determination that the applicant or any person named pursuant to paragraph (7) has made a false, misleading, deceptive, or fraudulent representation;
- (10) any instance in which the conduct of the applicant or any person named pursuant to paragraph (7) resulted in the imposition of a sanction, suspension, or declaration of ineligibility to participate in an interscholastic or intercollegiate athletic event on a student-athlete or educational institution;
- (11) any sanction, suspension, or disciplinary action taken against the applicant or any person named pursuant to paragraph (7) arising out of occupational or professional conduct; and
- (12) whether there has been any denial of an application for, suspension or revocation of, or refusal to renew, the registration or licensure of the applicant or any person named pursuant to paragraph (7) as an athlete agent in any State.
- (b) An individual who has submitted an application for, and holds a certificate of, registration or licensure as an athlete agent in another State, may submit a copy of the application and certificate in lieu of submitting an application in the form prescribed pursuant to subsection (a). The Department shall accept the application and the

- 1 certificate from the other State as an application for
- 2 registration in this State if the application to the other
- 3 State:
- 4 (1) was submitted in the other State within six 5 months next preceding the submission of the application
- 6 in this State and the applicant certifies that the
- 7 information contained in the application is current;
- 8 (2) contains information substantially similar to 9 or more comprehensive than that required in an
- 10 application submitted in this State; and
- 11 (3) was signed by the applicant under penalty of
- 12 perjury.
- Section 6. Certificate of registration; issuance or
- 14 denial; renewal.
- 15 (a) Except as otherwise provided in subsection (b), the
- 16 Department shall issue a certificate of registration to an
- 17 individual who complies with Section 5(a) or whose
- application has been accepted under Section 5(b).
- 19 (b) The Department may refuse to issue a certificate of
- 20 registration if the Department determines that the applicant
- 21 has engaged in conduct that has a significant adverse effect
- on the applicant's fitness to act as an athlete agent. In
- 23 making the determination, the Department may consider whether
- 24 the applicant has:
- 25 (1) been convicted of a crime that, if committed in
- 26 this State, would be a crime involving moral turpitude or
- 27 a felony;
- 28 (2) made a materially false, misleading, deceptive,
- or fraudulent representation in the application or as an
- 30 athlete agent;
- 31 (3) engaged in conduct that would disqualify the
- 32 applicant from serving in a fiduciary capacity;
- 33 (4) engaged in conduct prohibited by Section 14;

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1	(5) had a registration or licensure as an athlete
2	agent suspended, revoked, or denied or been refused
3	renewal of registration or licensure as an athlete agen
4	in any State;

- (6) engaged in conduct the consequence of which was that a sanction, suspension, or declaration of ineligibility to participate in an interscholastic or intercollegiate athletic event was imposed on a student-athlete or educational institution; or
- 10 (7) engaged in conduct that significantly adversely
  11 reflects on the applicant's credibility, honesty, or
  12 integrity.
- 13 (c) In making a determination under subsection (b), the
  14 Department shall consider:
  - (1) how recently the conduct occurred;
- 16 (2) the nature of the conduct and the context in
  17 which it occurred; and
  - (3) any other relevant conduct of the applicant.
- 19 (d) An athlete agent may apply to renew a registration
  20 by submitting an application for renewal in a form prescribed
  21 by the Department. An application filed under this section is
  22 a public record. The application for renewal must be signed
  23 by the applicant under penalty of perjury and must contain
  24 current information on all matters required in an original
  25 registration.
- (e) An individual who has submitted an application for 26 27 renewal of registration or licensure in another State, in lieu of submitting an application for renewal in the form 28 prescribed pursuant to subsection (d), may file a copy of the 29 30 application for renewal and a valid certificate of registration or licensure from the other 31 State. Department shall accept the application for renewal from the 32 other State as an application for renewal in this State if 33 34 the application to the other State:

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1		(1)	was	submit	ted	in	the	other	State	within	six
2	month	s nex	t pre	eceding	the	fili	ing ir	n this	State	e and	the
3	appli	cant	cert	ifies	the	inf	Eormat	cion	contair	ned in	the
4	appli	catio	n for	renewa	al is	s cui	rent	;			

- (2) contains information substantially similar to or more comprehensive than that required in an application for renewal submitted in this State; and
- 8 (3) was signed by the applicant under penalty of perjury.
- 10 (f) A certificate of registration or a renewal of a 11 registration is valid for two years.
- Section 7. Suspension, revocation, or refusal to renew registration.
- 14 (a) The Department may suspend, revoke, or refuse to 15 renew a registration for conduct that would have justified 16 denial of registration under Section 6(b).
- 17 (b) The Department may deny, suspend, revoke, or refuse 18 to renew a certificate of registration or licensure only 19 after proper notice and an opportunity for a hearing. The 20 Illinois Administrative Procedure Act applies to this Act.
- Section 8. Temporary registration. The Department may issue a temporary certificate of registration while an application for registration or renewal of registration is pending.
- Section 9. Registration and renewal fees. An application for registration or renewal of registration must be accompanied by a fee in the following amount:
- 28 (1) \$75 for an initial application for 29 registration;
- 30 (2) \$75 for an application for registration based 31 upon a certificate of registration or licensure issued by

1	another State;
2	(3) \$50 for an application for renewal of
3	registration; or
4	(4) \$50 for an application for renewal of
5	registration based upon an application for renewal of
6	registration or licensure submitted in another State.
7	Section 10. Required form of contract.
8	(a) An agency contract must be in a record, signed or
9	otherwise authenticated by the parties.
10	(b) An agency contract must state or contain:
11	(1) the amount and method of calculating the
12	consideration to be paid by the student-athlete for
13	services to be provided by the athlete agent under the
14	contract and any other consideration the athlete agent
15	has received or will receive from any other source for
16	entering into the contract or for providing the services;
17	(2) the name of any person not listed in the
18	application for registration or renewal of registration
19	who will be compensated because the student-athlete
20	signed the agency contract;
21	(3) a description of any expenses that the
22	student-athlete agrees to reimburse;
23	(4) a description of the services to be provided to
24	the student-athlete;
25	(5) the duration of the contract; and
26	(6) the date of execution.
27	(c) An agency contract must contain, in close proximity
28	to the signature of the student-athlete, a conspicuous notice
29	in boldface type in capital letters stating:
30	WARNING TO STUDENT-ATHLETE
31	IF YOU SIGN THIS CONTRACT:
32	(1) YOU MAY LOSE YOUR ELIGIBILITY TO COMPETE AS A
33	STUDENT-ATHLETE IN YOUR SPORT;

- 1 (2) IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN 72
  2 HOURS AFTER ENTERING INTO THIS CONTRACT, BOTH YOU AND
  3 YOUR ATHLETE AGENT MUST NOTIFY YOUR ATHLETIC DIRECTOR;
- 4 AND
- 5 (3) YOU MAY CANCEL THIS CONTRACT WITHIN 14 DAYS
  6 AFTER SIGNING IT. CANCELLATION OF THIS CONTRACT MAY NOT
  7 REINSTATE YOUR ELIGIBILITY.
- An agency contract that does not conform to this 8 9 section is voidable by the student-athlete. student-athlete voids an agency contract, the student-athlete 10 11 is not required to pay any consideration under the contract or to return any consideration received from the athlete 12 agent to induce the student-athlete to enter into the 13 14 contract.
- 15 (e) The athlete agent shall give a record of the signed 16 or otherwise authenticated agency contract to the 17 student-athlete at the time of execution.
- 18 Section 11. Notice to educational institution.
- (a) Within 72 hours after entering into an agency 19 20 contract or before the next scheduled athletic event in which 21 the student-athlete may participate, whichever occurs first, 22 the athlete agent shall give notice in a record of existence of the contract to the athletic director of the 23 24 educational institution at which the student-athlete is enrolled or the athlete agent has reasonable grounds to 25 believe the student-athlete intends to enroll. 26
- 27 (b) Within 72 hours after entering into an agency 28 contract or before the next athletic event in which the 29 student-athlete may participate, whichever occurs first, the 30 student-athlete shall inform the athletic director of the 31 educational institution at which the student-athlete is 22 enrolled that he or she has entered into an agency contract.

- 1 Section 12. Student-athlete's right to cancel.
- 2 (a) A student-athlete may cancel an agency contract by
- 3 giving notice of the cancellation to the athlete agent in a
- 4 record within 14 days after the contract is signed.
- 5 (b) A student-athlete may not waive the right to cancel
- 6 an agency contract.
- 7 (c) If a student-athlete cancels an agency contract, the
- 8 student-athlete is not required to pay any consideration
- 9 under the contract or to return any consideration received
- 10 from the athlete agent to induce the student-athlete to enter
- 11 into the contract.
- 12 Section 13. Required records.
- 13 (a) An athlete agent shall retain the following records
- 14 for a period of five years:
- 15 (1) the name and address of each individual
- represented by the athlete agent;
- 17 (2) any agency contract entered into by the athlete
- 18 agent; and
- 19 (3) any direct costs incurred by the athlete agent
- in the recruitment or solicitation of a student-athlete
- 21 to enter into an agency contract.
- (b) Records required by subsection (a) to be retained
- 23 are open to inspection by the Department during normal
- 24 business hours.
- 25 Section 14. Prohibited conduct.
- 26 (a) An athlete agent, with the intent to induce a
- 27 student-athlete to enter into an agency contract, may not:
- 28 (1) give any materially false or misleading
- 29 information or make a materially false promise or
- 30 representation;
- 31 (2) furnish anything of value to a student-athlete
- 32 before the student-athlete enters into the agency

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1	contract;	or

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- 2 (3) furnish anything of value to any individual 3 other than the student-athlete or another registered 4 athlete agent.
  - (b) An athlete agent may not intentionally:
- 6 (1) initiate contact with a student-athlete unless
  7 registered under this Act;
  - (2) refuse or fail to retain or permit inspection of the records required to be retained by Section 13;
    - (3) fail to register when required by Section 4;
- 11 (4) provide materially false or misleading 12 information in an application for registration or renewal 13 of registration;
  - (5) predate or postdate an agency contract; or
  - (6) fail to notify a student-athlete before the student-athlete signs or otherwise authenticates an agency contract for a particular sport that the signing or authentication may make the student-athlete ineligible to participate as a student-athlete in that sport.
- 20 Section 15. Criminal penalties. An athlete agent who 21 violates Section 14 is guilty of a Class A misdemeanor.
- 22 Section 16. Civil remedies.
- 23 (a) An educational institution has a right of action 24 against an athlete agent or a former student-athlete for 25 damages caused by a violation of this Act. In an action 26 under this section, the court may award to the prevailing 27 party costs and reasonable attorney's fees.
- 28 (b) Damages of an educational institution under 29 subsection (a) include losses and expenses incurred because, 30 as a result of the conduct of an athlete agent or former 31 student-athlete, the educational institution was injured by a 32 violation of this Act or was penalized, disqualified, or

- 1 suspended from participation in athletics by a national
- 2 association for the promotion and regulation of athletics, by
- 3 an athletic conference, or by reasonable self-imposed
- 4 disciplinary action taken to mitigate sanctions likely to be
- 5 imposed by such an organization.
- 6 (c) A right of action under this section does not accrue
- 7 until the educational institution discovers or by the
- 8 exercise of reasonable diligence would have discovered the
- 9 violation by the athlete agent or former student-athlete.
- 10 (d) Any liability of the athlete agent or the former
- 11 student-athlete under this section is several and not joint.
- 12 (e) This Act does not restrict rights, remedies, or
- defenses of any person under law or equity.
- 14 Section 17. Administrative penalty. The Department may
- assess a civil penalty against an athlete agent not to exceed
- \$5,000 for a violation of this Act.
- 17 Section 18. Uniformity of application and construction.
- 18 In applying and construing this Uniform Act, consideration
- 19 must be given to the need to promote uniformity of the law
- 20 with respect to its subject matter among States that enact
- 21 it.
- 22 Section 19. Electronic Signatures in Global and National
- 23 Commerce Act. The provisions of this Act governing the legal
- 24 effect, validity, or enforceability of electronic records or
- 25 signatures, and of contracts formed or performed with the use
- of such records or signatures conform to the requirements of
- 27 Section 102 of the Electronic Signatures in Global and
- National Commerce Act, Pub. L. No. 106-229, 114 Stat. 464
- 29 (2000), and supersede, modify, and limit the Electronic
- 30 Signatures in Global and National Commerce Act.

provisions of this Act are severable.

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Section 20. Severability. If any provision of this Act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this Act which can be given effect without the invalid provision or application, and to this end the