

The House Committee on Governmental Affairs offered the following substitute to HB 194:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 4A of Title 43 of the Official Code of Georgia Annotated, relating to
2 athlete agents, so as to provide a short title; to provide definitions; to provide for the Georgia
3 Athlete Agent Regulatory Commission and its composition, terms, officers, powers and staff;
4 to provide for appointment of the Secretary of State as agent for service of process by
5 nonresident athlete agents under certain circumstances; to provide for registration of athlete
6 agents; to prohibit persons from acting as athlete agents without registering with the
7 commission; to provide for the content of registration forms; to provide for standards for the
8 issuance or denial of registration certificates; to provide for renewal of registration
9 certificates; to provide for sanctions of registrants; to provide for fees; to provide for
10 temporary registration; to require the maintenance of certain records; to provide for criminal
11 penalties for violations; to provide for surety bonds; to provide for prohibited acts by athlete
12 agents; to provide for civil penalties; to provide for notice of signing of agency contracts; to
13 provide for required information and provisions of agency contracts; to provide for certain
14 notice to student athletes who sign agency contracts; to provide that such contracts are
15 voidable and may be cancelled under certain circumstances; to provide for construction; to
16 provide for electronic signatures; to provide a right of action by educational institutions
17 against athlete agents and former student athletes when the educational institution is injured
18 as a result of the violation of the provisions of this Act; to provide for related matters; to
19 repeal conflicting laws; and for other purposes.

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

21 Chapter 4A of Title 43 of the Official Code of Georgia Annotated, relating to athlete agents,
22 is amended by striking Code Section 43-4A-1, relating to short title, and inserting in lieu
23 thereof a new Code Section 43-4A-1 to read as follows:
24

1 "43-4A-1.

2 This chapter shall be known and may be cited as the 'Georgia Uniform Athlete Agents
3 Regulatory Act of 1988.'

4 **SECTION 2.**

5 Said chapter is further amended by striking Code Section 43-4A-2, relating to definitions,
6 and inserting in lieu thereof a new Code Section 43-4A-2 to read as follows:

7 "43-4A-2.

8 As used in this chapter, the term:

9 (1) 'Agent Agency contract' means ~~any contract or an agreement pursuant to in~~ which an
10 a student athlete authorizes or empowers an athlete agent a person to negotiate or solicit
11 on behalf of the student athlete with one or more a professional sports teams for the
12 employment of the athlete by one or more professional sports teams or to negotiate or
13 solicit on behalf of the athlete for the employment of the athlete as a professional athlete
14 services contract or an endorsement contract.

15 (2) 'Athlete' means ~~an individual who is eligible to participate in any intercollegiate sport~~
16 ~~and who is currently enrolled as a student at an institution of higher education or has~~
17 ~~signed a national grant-in-aid with an institution of higher education.~~

18 (3) 'Athlete agent' means a ~~person~~ an individual who enters into an agency contract with
19 a student athlete or, directly or indirectly, recruits or solicits an a student athlete to enter
20 into an agent agency contract or professional sports services contract with that person or
21 who for a fee procures, offers, promises, or attempts to obtain employment for an athlete
22 with a professional sports team. This term includes an individual who represents to the
23 public that the individual is an athlete agent. The This term 'athlete agent' does not
24 include a spouse, parent, sibling, grandparent, or guardian of the student athlete or an
25 individual acting solely on behalf the owner, employee, or other representative of a
26 professional sports team, provided that such owner, employee, or representative does not
27 recruit or solicit such athlete to enter into an agent contract or professional sports services
28 contract or professional sports organization or for a fee does not procure, offer, promise,
29 or attempt to obtain employment for such athlete with a professional sports team.

30 (4) (3) 'Athletic department director' means ~~the entity exercising control over the~~
31 ~~intercollegiate sports~~ an individual responsible for administering the overall athletic
32 program at of an educational institution of higher education, including, but not limited
33 to, an athletic association, an athletic department, or an athletic foundation or, if an
34 educational institution has separately administered athletic programs for male students
35 and female students, the athletic program for males and the athletic program for females,
36 as appropriate.

1 ~~(5) 'Athletic director' means the representative of the intercollegiate sports program at~~
 2 ~~an institution of higher education as identified on the annual report filed with the~~
 3 ~~commission.~~

4 ~~(6) (4) 'Commission' means the Georgia Athlete Agent Regulatory Commission created~~
 5 ~~in Code Section 43-4A-3.~~

6 (5) 'Contact' means a communication, direct or indirect, between an athlete agent and a
 7 student athlete to recruit or solicit the student athlete to enter into an agency contract.

8 (6) 'Endorsement contract' means an agreement under which a student athlete is
 9 employed or receives consideration to use on behalf of the other party any value that the
 10 student athlete may have because of publicity, reputation, following, or fame obtained
 11 because of athletic ability or performance.

12 (7) 'Intercollegiate sport' means a sport played at the collegiate level for which eligibility
 13 requirements for participation by a student athlete are established by a national
 14 association for the promotion or regulation of collegiate athletics.

15 ~~(7) 'Institution of higher education' means a public or private postsecondary school~~
 16 ~~located in this state.~~

17 (8) 'Person' means any individual, ~~company~~, corporation, business trust, estate, trust,
 18 association, partnership, limited liability company, association, joint venture, or
 19 government; governmental subdivision, agency, or instrumentality; public corporation;
 20 or any other legal or commercial entity.

21 (9) 'Professional sports services contract' means ~~any contract or an~~ agreement pursuant
 22 ~~to~~ under which an athlete individual is employed, or agrees to render services, as a player
 23 on a professional sports team, with a professional sports organization, or as a professional
 24 athlete.

25 (10) 'Record' means information that is inscribed on a tangible medium or that is stored
 26 in an electronic or other medium and is retrievable in perceivable form.

27 (11) 'Registration' means registration as an athlete agent pursuant to this chapter.

28 (12) 'State' means a state of the United States, the District of Columbia, Puerto Rico, the
 29 United States Virgin Islands, or any territory or insular possession subject to the
 30 jurisdiction of the United States.

31 (13) 'Student athlete' means an individual who engages in, is eligible to engage in, or
 32 may be eligible in the future to engage in any intercollegiate sport. If an individual is
 33 permanently ineligible to participate in a particular intercollegiate sport, the individual
 34 is not a student athlete for purposes of that sport."

SECTION 3.

Said chapter is further amended by striking Code Section 43-4A-3, relating to the creation of the Georgia Athlete Agent Regulatory Commission, and inserting in lieu thereof a new Code Section 43-4A-3 to read as follows:

"43-4A-3.

(a)(1) ~~There is created~~ shall be a commission for the regulation of athlete agents in the State of Georgia to be known as the Georgia Athlete Agent Regulatory Commission.

(2) The ~~Until July 1, 2003, the~~ commission shall consist of six members with an interest in college athletics to be appointed as follows:

~~(1)~~ (A) The Governor shall appoint two commission members;

~~(2)~~ (B) The President of the Senate shall appoint two commission members; and

~~(3)~~ (C) The Speaker of the House of Representatives shall appoint two commission members.

(3) On and after July 1, 2003, the commission shall consist of five members with an interest in college athletics to be appointed as follows:

(A) The Governor shall appoint two commission members;

(B) The President of the Senate shall appoint one commission member; and

(C) The Speaker of the House of Representatives shall appoint two commission members.

(4) The terms of the members of the Georgia Athlete Agent Regulatory Commission serving on March 1, 2003, shall continue until June 30, 2003, at which time their terms shall end. Thereafter, successors to such board members shall be appointed in accordance with paragraph (3) of this subsection.

(5) All members of the commission shall be citizens of the United States and residents of Georgia. The term of each commission member shall be for a period of three years and commission members may be eligible for reappointment, subject to the provisions of this chapter. If a vacancy occurs on the commission, the officer who originally appointed such member shall appoint a successor who shall take office immediately and serve the remainder of the unexpired term. The commission members and their successors shall have and exercise all the powers and authority vested by law in said commission.

(b) The effective date of ~~all original~~ the appointments pursuant to paragraph (4) of subsection (a) of this Code section shall be ~~September 1, 1988~~ July 1, 2003.

(c) No person who has served two successive complete terms on the commission shall be eligible for reappointment until after the lapse of one year. Appointment to fill an unexpired term is not to be considered as a complete term.

(d) The Governor shall remove from the commission any member for cause as provided in Code Section 43-1-17.

1 (e) The commission shall elect annually a ~~chairman~~ chairperson and a ~~vice-chairman~~ vice
2 chairperson.

3 (f) A majority of the commission shall constitute a quorum for the transaction of business.

4 (g) The commission may promulgate and from time to time amend rules and standards of
5 conduct for athlete agents appropriate for the protection of the residents of the state.

6 (h) Members of the commission shall be reimbursed as provided in subsection (f) of Code
7 Section 43-1-2.

8 (i) The division director shall be the secretary of the commission and provide all
9 administrative services."

10 SECTION 4.

11 Said chapter is further amended by striking Code Section 43-4A-4, relating to registration
12 requirements, and inserting in lieu thereof a new Code Section 43-4A-4 to read as follows:

13 "43-4A-4.

14 ~~(a) No athlete agent shall contact an athlete, either directly or indirectly, or otherwise~~
15 ~~engage in or carry on the occupation of an athlete agent with an athlete without first~~
16 ~~registering with the commission.~~

17 ~~(b) Each institution of higher education shall file an annual report with the commission,~~
18 ~~on a form provided by the commission, identifying the athletic director for said institution.~~

19 By acting as an athlete agent in this state, a nonresident individual appoints the division
20 director of the professional licensing board as the individual's agent for service of process
21 in any civil action in this state related to the individual's acting as an athlete agent in this
22 state."

23 SECTION 5.

24 Said chapter is further amended by inserting a new Code Section 43-4A-4.1 to read as
25 follows:

26 "43-4A-4.1.

27 (a) Except as otherwise provided in subsection (b) of this Code section, an individual may
28 not act as an athlete agent in this state without holding a certificate of registration under
29 this chapter.

30 (b) Before being issued a certificate of registration, an individual may act as an athlete
31 agent in this state for all purposes, except signing an agency contract, if:

32 (1) A student athlete or another person acting on behalf of the student athlete initiates
33 communication with the individual; and

34 (2) Within seven days after an initial act as an athlete agent, the individual submits an
35 application for registration as an athlete agent in this state.

1 (c) An agency contract resulting from conduct in violation of this Code section is void and
 2 the athlete agent shall return any consideration received under the contract."

3 SECTION 6.

4 Said chapter is further amended by striking Code Section 43-4A-5, relating to application for
 5 registration, and inserting in lieu thereof a new Code Section 43-4A-5 to read as follows:

6 "43-4A-5.

7 ~~(a) A written application~~ An applicant for registration ~~or registration renewal~~ shall be
 8 made submit an application for registration to the commission ~~on the~~ in a form prescribed
 9 by the commission and shall, at a minimum, state the following. An application filed under
 10 this Code section is a public record. The application must be in the name of an individual
 11 and state or contain the following and any other information required by the commission:

12 (1) The name of the applicant and the address of the applicant's residence and principal
 13 place of business;

14 (2) ~~The address where the business of the athlete agent is to be conducted~~ name of the
 15 applicant's business or employer, if applicable;

16 (3) ~~The~~ Any business or occupation engaged in by the applicant for at least two the five
 17 years ~~immediately~~ next preceding the date of submission of the application;

18 (4) ~~Such biographical information on the applicant as may be deemed necessary by the~~
 19 ~~commission; and~~ A description of the applicant's:

20 (A) Formal training as an athlete agent;

21 (B) Practical experience as an athlete agent; and

22 (C) Educational background relating to the applicant's activities as an athlete agent;

23 (5) ~~The names and addresses of all persons, except bona fide employees on stated~~
 24 ~~salaries, who are financially interested, either as partners, members of a limited liability~~
 25 ~~company, associates, or profit sharers, in the operation of the business of the athlete agent~~
 26 three individuals not related to the applicant who are willing to serve as references;

27 (6) The name, sport, and last known team for each individual for whom the applicant
 28 acted as an athlete agent during the five years next preceding the date of submission of
 29 the application;

30 (7) The names and addresses of all persons who are:

31 (A) With respect to the athlete agent's business if it is not a corporation, the partners,
 32 members, officers, managers, associates, or profit sharers of the business; and

33 (B) With respect to a corporation employing the athlete agent, the officers, directors,
 34 and any shareholder of the corporation having an interest of 5 percent or greater;

1 (8) Whether the applicant or any person named pursuant to paragraph (7) of this
 2 subsection has been convicted of a crime that, if committed in this state, would be a crime
 3 involving moral turpitude or a felony, and identify the crime;

4 (9) Whether there has been any administrative or judicial determination that the applicant
 5 or any person named pursuant to paragraph (7) of this subsection has made a false,
 6 misleading, deceptive, or fraudulent representation;

7 (10) Any instance in which the conduct of the applicant or any person named pursuant
 8 to paragraph (7) of this subsection resulted in the imposition of a sanction, suspension,
 9 or declaration of ineligibility to participate in an interscholastic or intercollegiate athletic
 10 event on a student athlete or educational institution;

11 (11) Any sanction, suspension, or disciplinary action taken against the applicant or any
 12 person named pursuant to paragraph (7) of this subsection arising out of occupational or
 13 professional conduct; and

14 (12) Whether there has been any denial of an application for, suspension or revocation
 15 of, or refusal to renew the registration or licensure of the applicant or any person named
 16 pursuant to paragraph (7) of this subsection as an athlete agent in any state.

17 ~~(b) The application for registration shall be accompanied by affidavits or certificates of~~
 18 ~~completion of any and all formal training or practical experience in any one of the~~
 19 ~~following specific areas: contracts, contract negotiation, complaint resolution, arbitration,~~
 20 ~~or civil resolution of contract disputes. The commission, in evaluating the applicant's~~
 21 ~~qualifications, may consider any other relevant training, education, or experience to satisfy~~
 22 ~~this requirement."~~

23 SECTION 7.

24 Said chapter is further amended by striking Code Section 43-4A-6, relating to evaluation and
 25 investigation of applicant, and inserting in lieu thereof a new Code Section 43-4A-6 to read
 26 as follows:

27 " 43-4A-6.

28 ~~Upon receipt of an application for registration, the commission may evaluate and~~
 29 ~~investigate the education, training, experience, and character of the applicant and may~~
 30 ~~examine the premises designated in the application to verify it to be the principal place of~~
 31 ~~business in which the applicant proposes to conduct business as an athlete agent Reserved."~~

32 SECTION 8.

33 Said chapter is further amended by striking Code Section 43-4A-7, relating to grounds for
 34 refusal or revocation of registration, and inserting in lieu thereof a new Code Section
 35 43-4A-7 to read as follows:

1 "43-4A-7.

2 (a) ~~The commission, by a majority of its members present and voting, may refuse to grant~~
 3 ~~issue a certificate of registration to an applicant therefor or may revoke a registration of a~~
 4 ~~person registered by the commission or may discipline a person registered by the~~
 5 ~~commission upon making a finding that the applicant or registrant or his or her~~
 6 ~~representative or employee if the commission determines that the applicant has engaged~~
 7 ~~in conduct that has a significant adverse effect on the applicant's fitness to act as an athlete~~
 8 ~~agent. In making the determination, the commission may consider whether the applicant~~
 9 ~~has:~~

10 (1) ~~Been convicted of a crime that, if committed in this state, would be a crime~~
 11 ~~involving moral turpitude or a felony;~~

12 (2) ~~Has made Made a material false, misleading, deceptive, untrue, or fraudulent~~
 13 ~~representation in the application or as an athlete agent ~~or in any document connected~~~~
 14 ~~therewith or practiced fraud or deceit or made a false statement of a material nature in his~~
 15 ~~or her application for registration or made a false or deceptive statement of a material~~
 16 ~~nature on an application for biennial registration renewal with the commission;~~

17 (2) (3) ~~Has ever misappropriated funds or engaged Engaged in other specific acts such~~
 18 ~~as embezzlement, theft, or fraud which conduct that would render him or her unfit to~~
 19 ~~serve disqualify the applicant from serving in a fiduciary capacity;~~

20 (3) (4) ~~Has engaged Engaged in such other conduct that has a significant adverse impact~~
 21 ~~on his or her creditability, honesty, integrity, or competence to serve in a fiduciary~~
 22 ~~capacity prohibited by this chapter;~~

23 (5) ~~Had a registration or licensure as an athlete agent suspended, revoked, or denied or~~
 24 ~~been refused renewal of registration or licensure as an athlete agent in any state;~~

25 (4) (6) ~~Has engaged Engaged in conduct which results in a violation of any rule or~~
 26 ~~regulation promulgated by the consequence of which was that a sanction, suspension, or~~
 27 ~~declaration of ineligibility to participate in an interscholastic or intercollegiate sports~~
 28 ~~governing body athletic event was imposed on a student athlete or educational institution;~~

29 ~~or~~

30 (5) ~~Has been convicted of a crime covered by Article 2 of Chapter 12 of Title 16 or has~~
 31 ~~been convicted of a gambling offense in another state;~~

32 (6) ~~Has been convicted of violating a statute, law, or any rule or regulation of this state,~~
 33 ~~any other state, the commission, the United States, or any other lawful licensing~~
 34 ~~authority, without regard to whether the violation is criminally punishable, which law,~~
 35 ~~rule, or regulation relates to or in part regulates athlete agents, or violating a lawful order~~
 36 ~~of the commission previously entered by the commission in a disciplinary hearing;~~

1 ~~(7) Is unwilling to swear or affirm that he or she will comply with such rules and~~
 2 ~~standards of conduct for athlete agents as may from time to time be promulgated by the~~
 3 ~~commission;~~

4 ~~(8) Has engaged in conduct which results in an athlete's losing eligibility to participate~~
 5 ~~in intercollegiate sports contests as a member of a sports team of an institution of higher~~
 6 ~~education;~~

7 ~~(9) Except as provided in subsection (b) or (c) of this Code section, has directly or~~
 8 ~~indirectly contacted an athlete prior to the completion of the athlete's last intercollegiate~~
 9 ~~contest for the purpose of entering or soliciting entry into an agent contract;~~

10 ~~(10) Has accepted as a client an athlete referred by and in exchange for any consideration~~
 11 ~~made to an employee or coach of an institution of higher education;~~

12 ~~(11) Has offered anything of value to any person to induce an athlete to enter into an~~
 13 ~~agent contract; or~~

14 ~~(12) (7) Has postdated an agent contract~~ Engaged in conduct that significantly adversely
 15 reflects on the applicant's credibility, honesty, or integrity.

16 ~~(b) This chapter does not prohibit an athlete agent from sending to an athlete written~~
 17 ~~materials, provided that the athlete agent simultaneously sends an identical copy of such~~
 18 ~~written materials to the athletic director of the institution of higher education in which the~~
 19 ~~athlete is enrolled, or with which the athlete has signed a national grant-in-aid, or to such~~
 20 ~~athletic director's designee~~ In making a determination under subsection (a) of this Code
 21 section, the commission shall consider:

22 (1) How recently the conduct occurred;

23 (2) The nature of the conduct and the context in which it occurred; and

24 (3) Any other relevant conduct of the applicant.

25 ~~(c) This chapter does not prohibit an athlete agent from contacting an athlete for the~~
 26 ~~purpose of entering or soliciting entry into an agent contract, provided that the athlete or~~
 27 ~~the athlete's parent or guardian initiates the contact and the athlete agent gives prior notice~~
 28 ~~of his or her contact to the athletic director of the institution of higher education in which~~
 29 ~~the athlete is enrolled, or with which the athlete has signed a national grant-in-aid, or to~~
 30 ~~such athletic director's designee.~~

31 ~~(d) (c)~~ The refusal to grant a registration shall not be considered to be a contested case
 32 within the meaning of Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act.'
 33 Notice and hearing within the meaning of such chapter shall not be required. Notice of
 34 refusal to grant a registration is required to shall be sent by registered mail or statutory
 35 overnight delivery or personal service setting forth the particular reasons for the refusal.
 36 The written notice shall be sent to the applicant's address of record with the commission

1 and the applicant shall be allowed to appear before the commission if the applicant so
2 requests to do so in writing.

3 (d) An athlete agent may apply to renew a registration by submitting an application for
4 renewal in a form prescribed by the commission. An application filed under this subsection
5 is a public record.

6 (e) A certificate of registration or a renewal of a registration is valid for a period of up to
7 two years."

8 SECTION 9.

9 Said chapter is further amended by striking Code Section 43-4A-8, relating to actions against
10 persons unqualified for registration or registrants to be disciplined, and inserting in lieu
11 thereof a new Code Section 43-4A-8 to read as follows:

12 "43-4A-8.

13 (a) ~~When the~~ The commission finds that a person is unqualified to be granted a may
14 suspend, revoke, or refuse to renew a registration or finds that a registrant should be
15 disciplined pursuant to the laws of this state; may discipline a person registered by the
16 commission may take any one or more of the following actions: for conduct that would
17 have justified denial of registration under Code Section 43-4A-7

18 (1) ~~Refuse to grant or renew a registration;~~

19 (2) ~~Administer a public reprimand;~~

20 (3) ~~Suspend any registration for a definite period of time or for an indefinite period of~~
21 ~~time in connection with any condition which may be attached to the restoration of said~~
22 ~~registration;~~

23 (4) ~~Limit or restrict any registration as the commission deems necessary for the~~
24 ~~protection of the public;~~

25 (5) ~~Revoke any registration;~~

26 (6) ~~Impose a fine not to exceed \$100,000.00 for each violation of a law, rule, or~~
27 ~~regulation; or~~

28 (7) ~~Impose any condition on a registration, including, but not limited to, requiring a~~
29 ~~surety bond in excess of \$10,000.00, which the commission may reasonably deem~~
30 ~~necessary for the protection of the public.~~

31 (b) The commission may discipline, suspend, revoke, or refuse to renew a certificate of
32 registration only after proper notice and an opportunity for a hearing.

33 (c) The provisions of Chapter 13 of Title 50, the 'Georgia Administrative Procedures Act'
34 shall be applicable to the commission and the provisions of this chapter."

1 (1) The name and address of each individual represented by the athlete agent;

2 (2) Any agency contract entered into by the athlete agent; and

3 (3) Any direct costs incurred by the athlete agent in the recruitment or solicitation of a
4 student athlete to enter into an agency contract.

5 ~~(b) Any agent contract or professional services contract that is negotiated for, with, or on~~
6 ~~behalf of an athlete by an athlete agent who has failed to comply with the registration~~
7 ~~requirements of subsection (a) of Code Section 43-4A-4 is void~~ Records required by
8 subsection (a) of this Code section to be retained are open to inspection by the commission
9 during normal business hours."

10 SECTION 13.

11 Said chapter is further amended by striking Code Section 43-4A-12, relating to fees, and
12 inserting in lieu thereof a new Code Section 43-4A-12 to read as follows:

13 "43-4A-12.

14 ~~The commission is authorized to charge an application fee, temporary registration fee,~~
15 ~~registration fee, registration renewal fee, or similar fees and may establish the amount of~~
16 ~~the fees to be charged. Each fee so established shall be reasonable and shall be determined~~
17 ~~in such a manner that the total amount of fees charged by the commission shall~~
18 ~~approximate the total of the direct and indirect costs to the state of the operations of the~~
19 ~~commission~~ An athlete agent who violates Code Section 43-4A-16 shall be guilty of a
20 felony and, upon conviction, shall be punished by a fine of not less than \$5,000.00 nor
21 more than \$100,000.00, by imprisonment of one to five years, or both such fine and
22 imprisonment."

23 SECTION 14.

24 Said chapter is further amended by striking Code Section 43-4A-13, relating to surety bond
25 requirements, and inserting in lieu thereof a new Code Section 43-4A-13 to read as follows:

26 "43-4A-13.

27 (a) An athlete agent shall deposit or have deposited with the commission, prior to the
28 issuance of a registration or renewal of a registration, a surety bond in the penal sum of not
29 less than \$10,000.00, as established by the commission. Such surety bond shall be executed
30 in the favor of the state with a surety company authorized to do business in this state and
31 conditioned to pay damages in the amount of such bond to any athletic department
32 aggrieved by any act of the principal named in such bond, which act is in violation of Code
33 Section 43-4A-16 ~~43-4A-14~~ or would be grounds for revocation of a license under Code
34 Section 43-4A-7 or 43-4A-8 ~~this chapter~~. If more than one athletic department suffers
35 damages by the actions of an athlete agent, each athletic department shall receive a pro rata

1 share of the amount of the bond based on the entitlement of one share of such amount of
 2 the bond for each student athlete who loses his or her eligibility to participate in
 3 intercollegiate sports contests as a member of a sports team at an institution of higher
 4 education as a result of actions of the athlete agent.

5 (b) If any registrant fails to maintain such bond so as to comply with the provisions of this
 6 Code section, the registration issued to the athlete agent shall be suspended until such time
 7 as a new bond is obtained. An athlete agent whose registration is suspended pursuant to
 8 this Code section shall not carry on any business as an athlete agent during the period of
 9 suspension."

10 SECTION 15.

11 Said chapter is further amended by striking Code Section 43-4A-14, relating to failure to
 12 maintain surety bond, and inserting in lieu thereof a new Code Section 43-4A-14 to read as
 13 follows:

14 "43-4A-14.

15 ~~(a) If any registrant fails to maintain such bond so as to comply with the provisions of~~
 16 ~~Code Section 43-4A-13, the registration issued to the athlete agent shall be suspended until~~
 17 ~~such time as a new bond is obtained. An athlete agent whose registration is suspended~~
 18 ~~pursuant to this Code section shall not carry on business as an athlete agent during the~~
 19 ~~period of suspension~~ An athlete agent shall not, with the intent to induce a student athlete
 20 to enter into an agency contract:

21 (1) Give any materially false or misleading information or make a materially false
 22 promise or representation;

23 (2) Furnish anything of value to a student athlete before the student athlete enters into
 24 the agency contract; or

25 (3) Furnish anything of value to an individual other than the student athlete or another
 26 registered athlete agent.

27 (b) An athlete agent may not intentionally:

28 (1) Initiate contact with a student athlete unless registered under this chapter;

29 (2) Refuse or fail to retain or permit inspection of the records required to be retained by
 30 this chapter;

31 (3) Fail to register when required by this chapter;

32 (4) Provide materially false or misleading information in an application for registration
 33 or renewal of registration;

34 (5) Predate or postdate an agency contract; or

1 (6) Fail to notify a student athlete before the student athlete signs or otherwise
 2 authenticates an agency contract for a particular sport that such signing or authentication
 3 may make the student athlete ineligible to participate as a student athlete in that sport."

4 SECTION 16.

5 Said chapter is further amended by striking Code Section 43-4A-15, relating to registration
 6 requirements, and inserting in lieu thereof a new Code Section 43-4A-15 to read as follows:

7 "43-4A-15.

8 Each registration shall contain the following:

9 (1) ~~The name of the registrant;~~

10 (2) ~~A designation of the address of the place in which the registrant is authorized to carry~~
 11 ~~on business as an athlete agent; and~~

12 (3) ~~The registration number and date of issuance of the registration~~ The commission may
 13 assess a civil penalty against an athlete agent not to exceed \$25,000.00 for a violation of
 14 this chapter."

15 SECTION 17.

16 Said chapter is further amended by striking Code Section 43-4A-16, relating to signing
 17 contract prior to termination of athlete's eligibility at institution of higher education, and
 18 inserting in lieu thereof a new Code Section 43-4A-16 to read as follows:

19 "43-4A-16.

20 (a)(1) ~~An athlete agent who intends to sign an athlete to an agent contract prior to the~~
 21 ~~termination of the athlete's eligibility to participate in intercollegiate sports contests at~~
 22 ~~an institution of higher education shall notify the commission in writing. The Within 72~~
 23 ~~hours after entering into an agency contract or before the next scheduled athletic event~~
 24 ~~in which the student athlete may participate, whichever occurs first, the athlete agent shall~~
 25 ~~provide the name of the athlete and the athlete's institution of higher education and the~~
 26 ~~sport or sports in which the athlete competes at such institution of higher education. The~~
 27 ~~commission shall within seven business days notify in writing~~ give notice in a record of
 28 the existence of the contract to the athletic director of the educational institution of higher
 29 education attended by at which the student athlete, provided that said institution has filed
 30 the annual report required by subsection (b) of Code Section 43-4A-4. Except as
 31 otherwise provided in this subsection for notification of the athletic director, the notice
 32 filed by the athlete agent with the commission shall be confidential information and not
 33 a public record. The athlete agent shall not be permitted to sign the athlete to an agent
 34 contract until the expiration of 30 days from the date that the commission received notice

1 from the agent of the intention to sign such contract is enrolled or the athlete agent has
 2 reasonable grounds to believe the student athlete intends to enroll.

3 ~~(2) An athlete agent who signs an athlete to an agent contract prior to the termination of~~
 4 ~~the athlete's eligibility to participate in intercollegiate sports contests at an institution of~~
 5 ~~higher education shall provide written notice of the contract to the athletic director of the~~
 6 ~~institution of higher education in which the athlete is enrolled or with which the athlete~~
 7 ~~has signed a national grant-in-aid. The athlete agent must give the notice before the~~
 8 ~~contracting athlete practices or participates in any intercollegiate athletic event or within~~
 9 ~~72 hours after entering into the contract, whichever comes first.~~

10 (b) ~~Prior to the signing of an agent contract, an athlete agent shall not compensate any~~
 11 ~~athlete or take any other action in connection with such athlete which may jeopardize such~~
 12 ~~athlete's eligibility to participate in intercollegiate sports contests at an institution of higher~~
 13 ~~education~~ Within 72 hours after entering into an agency contract or before the next
 14 scheduled athletic event in which the student athlete may participate, whichever occurs
 15 first, the student athlete shall inform the athletic director of the educational institution at
 16 which the student athlete is enrolled that he or she has entered into an agency contract.

17 (c) ~~If an athlete agent fails to comply with the provisions of subsection (a) or (b) of this~~
 18 ~~Code section, such athlete agent shall be liable for damages in the amount of the bond~~
 19 ~~deposited pursuant to Code Section 43-4A-13 to any athletic department for which an~~
 20 ~~athlete participates, which athlete was the subject of the agent contract or consideration or~~
 21 ~~other action resulting in a violation of this Code section. The provisions of this subsection~~
 22 ~~shall apply regardless of whether an athlete loses any eligibility to participate in~~
 23 ~~intercollegiate sports contests at such institution of higher education.~~

24 (d) ~~If an athlete agent fails to comply with the provisions of subsection (a) or (b) of this~~
 25 ~~Code section, any agent contract that is negotiated by said athlete agent is void. The~~
 26 ~~provisions of this subsection shall apply regardless of whether an athlete loses any~~
 27 ~~eligibility to participate in intercollegiate sports contests at such institution of higher~~
 28 ~~education.~~

29 (e) ~~If an athlete agent fails to comply with the provisions of subsection (a) or (b) of this~~
 30 ~~Code section, said athlete agent is subject to forfeiture of any right of repayment of~~
 31 ~~anything of value either received by an athlete as an inducement to enter into any agent~~
 32 ~~contract or received by an athlete before completion of the athlete's last intercollegiate~~
 33 ~~sports contest."~~

34 SECTION 18.

35 Said chapter is further amended by striking Code Section 43-4A-16.1, relating to agent
 36 contract, and inserting in lieu thereof a new Code Section 43-4A-16.1 to read as follows:

1 "43-4A-16.1.

2 (a) An agent agency contract must be in writing, state the fees and percentages to be paid
3 by the athlete to the athlete agent, and have a notice printed near a record that is signed or
4 otherwise authenticated by the parties.

5 (b) An agency contract must state or contain:

6 (1) The amount and method of calculating the consideration to be paid by the student
7 athlete for services to be provided by the athlete agent under the contract and any other
8 consideration the athlete agent has received or will receive from any other source for
9 entering into the contract or for providing the services;

10 (2) The name of any person not listed in the application for registration or renewal of
11 registration who will be compensated because the student athlete signed the agency
12 contract;

13 (3) A description of any expenses that the student athlete agrees to reimburse;

14 (4) A description of the services to be provided to the student athlete;

15 (5) The duration of the contract; and

16 (6) The date of execution.

17 (c) An agency contract must contain, in close proximity to the signature of the student
18 athlete, a conspicuous notice the athlete's signature containing the following statement in
19 ten-point boldface type in capital letters stating:

20 'NOTICE WARNING TO THE STUDENT ATHLETE:

21 WHEN IF YOU SIGN THIS CONTRACT;:

22 (1) YOU WILL LIKELY IMMEDIATELY MAY LOSE YOUR ELIGIBILITY TO
23 COMPETE IN INTERCOLLEGIATE ATHLETICS. DO NOT SIGN THIS
24 CONTRACT UNTIL YOU HAVE READ IT AND FILLED IN ANY BLANK
25 SPACES. YOU MAY CANCEL THIS CONTRACT BY NOTIFYING THE
26 ATHLETE AGENT IN WRITING OF YOUR DESIRE TO CANCEL NOT LATER
27 THAN THE FIFTEENTH DAY AFTER THE DATE YOU SIGN THIS CONTRACT.
28 HOWEVER, EVEN IF YOU CANCEL THIS CONTRACT, THE NATIONAL
29 COLLEGIATE ATHLETIC ASSOCIATION OR THE CONFERENCE TO WHICH
30 YOUR COLLEGE OR UNIVERSITY BELONGS MAY NOT RESTORE YOUR
31 ELIGIBILITY TO PARTICIPATE IN INTERCOLLEGIATE ATHLETICS AS A
32 STUDENT ATHLETE IN YOUR SPORT;

33 (2) IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN 72 HOURS AFTER
34 ENTERING INTO THIS CONTRACT, BOTH YOU AND YOUR ATHLETE AGENT
35 MUST NOTIFY YOUR ATHLETIC DIRECTOR; AND

1 ~~conference; and athletics by a national association for the promotion and regulation of~~
 2 ~~athletics, by an athletic conference, or by reasonable self-imposed disciplinary action~~
 3 ~~taken to mitigate sanctions likely to be imposed by such an organization~~

4 ~~(2) As a result of said penalty, suspension, or disqualification, the institution of higher~~
 5 ~~education suffers an adverse financial impact due to:~~

6 ~~(A) Loss of revenue from media coverage of a sports contract;~~

7 ~~(B) Loss of the right to grant an athletic scholarship;~~

8 ~~(C) Loss of the right to recruit an athlete;~~

9 ~~(D) Loss of the right to participate in a postseason athletic competition;~~

10 ~~(E) Forfeiture of an athletic contest; or~~

11 ~~(F) Loss of other discernible opportunities through which the institution would have~~
 12 ~~realized revenue.~~

13 ~~(c) An institution of higher education that prevails in an action brought under this Code~~
 14 ~~section may recover actual damages, punitive damages, court costs, and reasonable~~
 15 ~~attorneys' fees A right of action under this Code section does not accrue until the~~
 16 ~~educational institution discovers or by the exercise of reasonable diligence would have~~
 17 ~~discovered the violation by the athlete agent or former student athlete.~~

18 ~~(d) Any liability of the athlete agent or the former student athlete under this Code section~~
 19 ~~is several and not joint.~~

20 ~~(e) This chapter does not restrict rights, remedies, or defenses of any person under law or~~
 21 ~~equity."~~

22 SECTION 23.

23 All laws and parts of laws in conflict with this Act are repealed.