

SB 297 -- Redline

SA 1 to SB 297 to Bill Text -- AN ACT TO AMEND TITLE 24 OF THE DELAWARE CODE RELATING TO ATHLETE AGENTS.

Deletions ~~struck~~ · Insertions underlined

Sokola ~~DELAWARE& STATERep. SENATE 151st GENERAL ASSEMBLY SENATE AMENDMENT NO.~~
~~1Baumbach TO& SENATERep. BILL NO.~~
~~207Michael AMENDSmith SenateSens. Bill No.~~
~~207Gay, onMantzavinos, linePettyjohn, 103Townsend; by deleting "7" after "than" and before "days"~~
~~therein and inserting in lieu thereof "14".~~
~~FURTHERReps. AMEND Senate Bill No.~~
~~207Heffernan, byYearick deletingDELAWARE linesSTATE 177SENATE through151st 180GENERAL andASSEMBLY~~
~~insertingSENATE inBILL lieuNO. thereof the following:~~
~~"(1)297 AnAN applicationACT forTO registrationAMEND asTITLE an24 athleteOF agentTHE underDELAWARE~~
~~subsectionCODE (a)RELATING ofTO thisATHLETE section-AGENTS.~~
~~(2)BE AIT copyENACTED ofBY theTHE recordGENERAL ASSEMBLY OF THE STATE OF DELAWARE (Three-fifths of~~
~~registrationall frommembers theelected otherto state."each house thereof concurring therein):~~
~~FURTHERSection AMEND1. Senate Bill No.~~
~~207Amend onChapter line54, 183Title 24 of the Delaware Code by deleting "applicationChapter and"54~~
~~afterin "The"its entirety and beforeby "registration"making therein,deletions as shown by strike through~~
~~and insertions as shown by underline as follows:~~
~~FURTHERChapter AMEND54. Senate Bill No.~~
~~207Delaware onRevised lineUniform 205Athlete byAgents deletingAct. "5414" after "Sec." and before "of"~~
~~therein and inserting in lieu thereof "5413".~~
~~FURTHERSec. AMEND5401. Senate Bill No.~~
~~207Short ontitle. lines 221 to 222 by deleting "copies of the application for renewal in the other~~
~~state" before "and" therein and inserting in lieu thereof "an application for renewal in a form~~
~~prescribed by the Secretary".~~
~~FURTHERThis AMENDchapter Senatemay Billbe No.cited as the Delaware Revised Uniform Athlete Agents Act.~~
~~207Sec. by5402. deleting line 228 in its entirety and inserting in lieu thereof the following:~~
~~"(f)Definitions. A record of registration or renewal of a record of registration under this chapter is~~
~~valid for not more than 2 years.~~
~~TheFor biennialpurposes registration period begins July 1 of eachthis odd-numberedchapter: year and ends~~
~~June 30 of the next odd-numbered year." FURTHER AMEND Senate Bill No.~~
~~207(1) by"Agency deletingcontract" linemeans 236an throughagreement 238 in theirwhich entirety, a student~~
~~athlete authorizes a person to negotiate or solicit on behalf of the athlete any of the following:~~
~~FURTHERa. AMEND Senate Bill No.~~
~~207A onprofessional-sports-services linecontract. 239 by deleting "5409" after "Sec." and before the~~
~~period therein and inserting in lieu thereof "5408".~~
~~FURTHERb. AMEND Senate Bill No.~~
~~207An onendorsement linecontract. 240 by deleting "(a)" before "An" therein.~~
~~FURTHERc. AMEND Senate Bill No.~~
~~207A byname, deletingimage, lineor 243likeness throughagreement. 247 in its entirety.~~
~~(2)a.~~
~~"Athlete agent" means an individual, whether or not registered under this chapter, who does any of the~~
~~following:~~
~~1.~~
~~Directly or indirectly recruits or solicits a student athlete to enter into an agency contract or, for~~
~~compensation, procures employment or offers, promises, attempts, or negotiates to obtain employment for~~
~~a student athlete as a professional athlete or member of a professional sports team or organization.~~
~~2.~~
~~For compensation or in anticipation of compensation related to a student athlete's participation in~~
~~athletics does any of the following:~~
~~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.~~

06/14/2022 05/11/2022 07:2205:15 PM FURTHERB. ~~AMEND Senate Bill No.~~

~~297~~ Manages on the line business 248 affairs by of deleting the "5410" athlete after by "Sec." providing
and assistance before with the bills, period payments, therein contracts, and or inserting taxes. in lieu
thereof "5409".

FURTHER3. ~~AMEND Senate Bill No.~~

~~297~~ In on anticipation line of 200 representing by a deleting student "5411" athlete after for "Sec." a
and purpose before related to the period athlete's therein participation and in inserting athletics in does
lieu any thereof of "5410". the following:

FURTHERA. ~~AMEND Senate Bill No.~~

~~297~~ Gives on consideration line to 326 by deleting "5412" after "Sec." and before the period student
therein athlete and or inserting another in person. lieu thereof "5411".

FURTHERB. ~~AMEND Senate Bill No.~~

~~297~~ Serves on the line athlete 334 in by a deleting advisory "5413" capacity after on "Sec." a and matter
before related the to period finances, therein business and pursuits, inserting or in career lieu management
thereof decisions. "5412".

FURTHERC. ~~AMEND Senate Bill No.~~

~~297~~ Manages on the line business 342 affairs by of deleting the "5414" athlete after by "Sec." providing
and assistance before with the bills, period payments, therein contracts, and or inserting taxes. in lieu
thereof "5413".

FURTHERd. ~~AMEND Senate Bill No.~~

~~297~~ "Athlete on agent" line does 358 not by include deleting an "5413" individual "who after does "Sec." any and of
before the "of" following: therein and inserting in lieu thereof "5412".

FURTHER1. ~~AMEND Senate Bill No.~~

~~297~~ Acts solely on line behalf 370 of by a deleting professional "5415" sports after team "Sec." or
and organization. before the period therein and inserting in lieu thereof "5414".

FURTHER2. ~~AMEND Senate Bill No.~~

~~297~~ Is on a line licensed, 371 registered, by or deleting certified "5414" professional after and "Sec." offers
and or before provides "of" services therein to and a inserting student in athlete lieu customarily
thereof provided "5413". by members of the profession, unless the individual does any of the following:

FURTHERA. ~~AMEND Senate Bill No.~~

~~297~~ Also on recruits line or 372 solicits by the deleting athlete "5414" to after enter "Sec." into and an
before agency "of" contract. therein and inserting in lieu thereof "5413".

FURTHERB. ~~AMEND Senate Bill No.~~

~~297~~ Also, on for line compensation, 373 procures by employment deleting or "5414" offers, after promises,
"Sec." attempts, and or before negotiates "of" to therein obtain and employment inserting for in the lieu athlete
thereof as "5413". a professional athlete or member of a professional sports team or organization.

FURTHERC. ~~AMEND Senate Bill No.~~

~~297~~ Receives on consideration line for 375 providing by the deleting services "5414" calculated after using
"Sec." a and different before method "of" than therein for and an inserting individual in who lieu is thereof not
"5413". a student athlete.

FURTHER(3) ~~AMEND "Athletic Senate director" Bill means No.~~ the 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.

~~297~~ (4) on "Educational line institution" 376 includes by a deleting public "5416" or after private
"Sec." elementary and school, before secondary the school, period technical therein or and vocational
inserting school, in community lieu college, thereof college, "5415". and university.

FURTHER(5) ~~AMEND "Endorsement Senate contract" Bill means No.~~ an agreement under which a student athlete is
employed or receives consideration to use on behalf of the other party any value that the athlete may
have because of publicity, reputation, following, or fame obtained because of athletic ability or
performance.

~~297~~ (6) on "Enrolled" line means 391 registered by for deleting courses "5417" after "Sec." and
before attending the athletic period practice therein or and class. inserting in lieu thereof "5416".

FURTHER "Enrolls" ~~AMEND has Senate a Bill corresponding No. meaning.~~

~~297~~ on line 394 by deleting "5418" after "Sec." and before the period therein and inserting in lieu
thereof "5417".

FURTHER ~~AMEND Senate Bill No.~~

~~297~~ on line 397 by deleting "5419" after "Sec." and before the period therein and inserting in lieu
thereof "5418".

~~06/14/2022~~05/11/2022 07:2205:15 PM FURTHER(7) AMEND"Intercollegiate ~~Senate~~sport" Billmeans ~~No~~-a sport played at the collegiate level for which eligibility requirements for participation by a student athlete are established by a national association that promotes or regulates collegiate athletics.

~~297(8) on~~"Interscholastic ~~lines~~sport" ~~401~~means ~~by a deleting~~sport "January"played ~~after~~between "on"educational ~~and~~institutions ~~before~~that "1"are ~~therein~~not ~~and~~community ~~inserting~~colleges, ~~in~~colleges, ~~lie~~or ~~thereof~~universities. ~~"July "~~.

SYNOPSIS(9) This"Licensed, ~~Amendment~~registered, ~~does~~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 ~~following~~state or a nationally recognized organization that licenses, registers, or certifies members of the profession on the basis of experience, education, or testing.

~~(1)(10) Extends~~"Name, ~~the~~image, ~~grace~~or ~~period~~likeness" ~~for~~includes actinga asymbol, ~~an~~word, ~~athlete~~name, ~~agent~~or ~~in~~design ~~this~~that State~~readily without~~identifies ~~being~~a ~~registered~~student ~~in~~athlete. ~~this~~ State to 14 days.

This~~(11) means~~"Name, ~~the~~image, ~~athlete~~or ~~agent~~likeness ~~must~~agreement" ~~submit~~means an application~~express for or registration~~implied as~~agreement, an~~oral ~~athlete~~or ~~agent~~-in ~~this~~a State~~record, within~~under 14~~which~~ daysa of~~third~~ theparty ~~initial~~provides act-~~name, image, or likeness~~ compensation.

~~(2)(12) Requires~~"Name, ~~a~~image, ~~athlete~~or ~~agent~~likeness ~~seeking~~compensation" ~~reciprocal~~means ~~registration~~money ~~based~~or ~~on~~other ~~their~~thing ~~registration~~of ~~in~~value ~~another~~provided ~~state~~by to ~~complete~~ an applicationfor registrationand ~~submit~~-a ~~copy~~third of~~party~~ thein ~~record~~exchange ~~off~~or ~~registration~~use ~~from~~ theother state to better accommodate the Division of Professional~~a~~ Regulation's~~student~~ ("Division")~~athlete's~~ electronic~~name, licensing~~image, ~~and~~or ~~registration~~likeness. ~~system~~.

~~(3)(13) Makes~~"Person" ~~conforming~~means ~~changes~~an ~~to~~individual; ~~the~~ renewal of a reciprocal registration process.

~~(4)~~estate; ~~Provides for a stagnant biennial registration and renewal period for athlete agent registration.~~

~~(5)~~business ~~Removes~~or ~~the~~nonprofit ~~authority~~entity; ~~for the~~ Secretary of State ("Secretary") to ~~issue~~-a temporary registration as ~~this is unnecessary given the extension of the grace period under paragraph (1).~~

~~(6)~~public ~~Makes~~corporation; ~~conforming~~ changes to the Code section numbering based on the removal of the Secretary's authority to ~~issue~~ temporary registrations.

~~(7)~~government ~~Removes~~or ~~provisions~~governmental ~~requiring~~subdivision, ~~the~~agency, ~~Secretary~~ to set certain fees, ~~but retains the~~ Secretary's ~~general~~ authority to set fees for applications for registrationor ~~renewal~~instrumentality; ~~of~~ registration both in this State and based on a registration in another state.

~~(8)~~or ~~Extends~~other ~~the~~legal ~~effective~~entity. ~~date of this~~ Act to July 1, 2023, to provide the Division sufficient time to ensure the Division's ability to implement this Act, including upgrades to its ~~electronic~~ licensing and registration system.

(14) "Professional-sports-services contract" means an agreement under which an individual is employed as a professional athlete or agrees to render services as a player on a professional sports team or with a professional sports organization.

(15) "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.

(16) "Recruit or solicit" means attempt to influence the choice of an athlete agent by a student athlete or, if the athlete is a minor, a parent or guardian of the athlete.

"Recruit or solicit" does not include giving advice on the selection of a particular agent in a family, coaching, or social situation unless the individual giving the advice does so because of the receipt or anticipated receipt of an economic benefit, directly or indirectly, from the agent.

(17) "Registration" means registration as an athlete agent under this chapter.

(18) "Secretary" means the Secretary of the Department of State.

(19) "Sign" means, with present intent to authenticate or adopt a record, any of the following:

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NMX Page 3 of 15 Released:

05/11/2022 05:15 PM 82 a.

To execute or adopt a tangible symbol.

b.

To attach to or logically associate with the record an electronic symbol, sound, or process.

(20) "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.

(21) "Student athlete" means an individual who is 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 interscholastic or intercollegiate sport.

"Student athlete" does not include an individual permanently ineligible to participate in a particular interscholastic or intercollegiate sport for that sport.

Sec. 5403.

Secretary's authority;
procedure.

(a) The Administrative Procedures Act, Chapter 101 of Title 29, applies to this chapter.

The Secretary may adopt rules and regulations under the Administrative Procedures Act to implement this chapter.

(b) By acting as an athlete agent in this State, a nonresident individual appoints the Secretary as the individual's agent for service of process in any civil action in this State related to the individual acting as an athlete agent in this State.

(c) The Secretary may issue a subpoena for material that is relevant to the administration of this chapter.

Sec. 5404.

Athlete agent;
registration required;
void contract.

(a) Except as otherwise provided in subsection (b) of this section, an individual may not act as an athlete agent in this State without holding a record of registration under this chapter.

(b) Before being granted a record of registration under this chapter, an individual may act as an athlete agent in this State for all purposes except signing an agency contract, if all of the following apply:

(1) A student athlete or another person acting on behalf of the athlete initiates communication with the individual.

(2) Not later than 7 days after an initial act that requires the individual to register as an athlete agent, the individual submits an application for registration as an athlete agent in this State.

(c) 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.

Sec. 5405.

Registration as athlete agent;
application;
requirements;
reciprocal registration.

(a) An applicant for registration as an athlete agent shall submit an application for registration to the Secretary in a form prescribed by the Secretary.

The applicant must be an individual, and the application must be signed by the applicant under penalty of perjury.

The application must contain at least the following:

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NMX Page 4 of 15 Released:

05/11/2022 05:15 PM (1) The name and date and place of birth of the applicant and all of the following contact information for the applicant:

a.

The address of the applicant's principal place of business.

b.

Work and mobile telephone numbers.

c.

Any means of communicating electronically, including a facsimile number, electronic-mail address, and personal and business or employer websites.

(2) The name of the applicant's business or employer, as applicable, including for each business or employer, its mailing address, telephone number, organization form, and the nature of the business.

(3) Each social media account with which the applicant or the applicant's business or employer is affiliated.

(4) Each business or occupation in which the applicant engaged within 5 years before the date of the application, including self-employment and employment by others, and any professional or occupational license, registration, or certification held by the applicant during that time.

(5) A description of all of the following related to the applicant:

a.

The applicant's formal training as an athlete agent.

b.

The applicant's practical experience as an athlete agent.

c.

The applicant's educational background relating to the applicant's activities as an athlete agent.

(6) The name of each student athlete for whom the applicant acted as an athlete agent within 5 years before the date of the application or, if the athlete is a minor, the name of the parent or guardian of the athlete, together with the athlete's sport and last-known team.

(7) The name and address of each person that meets all of the following:

a.

Is a partner, member, officer, manager, associate, or profit sharer or directly or indirectly holds an equity interest of 5% or greater of the athlete agent's business if it is not a corporation.

b.

Is an officer or director of a corporation employing the athlete agent or a shareholder having an interest of 5% or greater in the corporation.

(8) A description of the status of any application by the applicant, or any person named under paragraph (a)(7) of this section, for a state or federal business, professional, or occupational license, other than as an athlete agent, from a state or federal agency, including any denial, refusal to renew, suspension, withdrawal, or termination of the license and any reprimand or censure related to the license.

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NMX Page 5 of 15 Released:

05/11/2022 05:15 PM (9) Whether the applicant, or any person named under paragraph (a)(7) of this section, has pleaded guilty or no contest to, has been convicted of, or has charges pending for, a crime that would be a felony if committed in this State and, if so, identification of all of the following:

a.

The crime.

b.

The law-enforcement agency involved.

c.

If applicable, the date of the guilty plea, no contest plea, or conviction and the fine or penalty imposed.

(10) Whether, within 15 years before the date of application, the applicant, or any person named under paragraph (a)(7) of this section, has been a defendant or respondent in a civil proceeding, including a proceeding seeking an adjudication of incompetence and, if so, the date and a full explanation of each proceeding.

(11) Whether the applicant, or any person named under paragraph (a)(7) of this section, has an unsatisfied judgment or a judgment of continuing effect, including alimony or a domestic order in the nature of child support, which is not current at the date of the application.

(12) Whether, within 10 years before the date of application, the applicant, or any person named under paragraph (a)(7) of this section, was adjudicated bankrupt or was an owner of a business that was adjudicated bankrupt.

(13) Whether there has been any administrative or judicial determination that the applicant, or any person named under paragraph (a)(7) of this section, made a false, misleading, deceptive, or fraudulent representation.

(14) Each instance in which conduct of the applicant, or any person named under paragraph (a)(7) of this section, resulted in the imposition of a sanction, suspension, or declaration of ineligibility to participate in an interscholastic, intercollegiate, or professional athletic event on a student athlete or a sanction on an educational institution.

(15) Each sanction, suspension, or disciplinary action taken against the applicant, or any person named under paragraph (a)(7) of this section, arising out of occupational or professional conduct.

(16) Whether there has been a denial of an application for, suspension or revocation of, refusal to renew, or abandonment of, the registration of the applicant, or any person named under paragraph (a)(7) of this section, as an athlete agent in any state.

(17) Each state in which the applicant currently is registered as an athlete agent or has applied to be registered as an athlete agent.

(18) If the applicant is certified or registered by a professional league or players association, all of the following:

a.

The name of the league or association.

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NMX Page 6 of 15 Released:

05/11/2022 05:15 PM b.

The date of the certification or registration, and the date of expiration of the certification or registration, if any.

c.

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.

(19) Any additional information required by the Secretary.

(b) Instead of proceeding under subsection (a) of this section, an individual registered as an athlete agent in another state may apply for registration as an athlete agent in this State by submitting all of the following to the Secretary:

(1) A copy of the application for registration in the other state.

(2) A statement that identifies any material change in the information on the application or verifies there is no material change in the information, signed under penalty of perjury.

(3) A copy of the record of registration from the other state.

(c) The Secretary shall grant a record of registration to an individual who applies for registration under subsection (b) of this section if the Secretary determines all of the following:

(1) The application and registration requirements of the other state are substantially similar to or more restrictive than this chapter.

(2) The registration has not been revoked or suspended and no action involving the individual's conduct as an athlete agent is pending against the individual or the individual's registration in any state.

(d) For purposes of implementing subsection (c) of this section, the Secretary shall do all of the following:

(1) Cooperate with national organizations concerned with athlete agent issues and agencies in other states which register athlete agents to develop a common registration form and determine which states have laws that are substantially similar to or more restrictive than this chapter.

(2) Exchange information, including information related to actions taken against registered athlete agents or their registrations, with those organizations and agencies.

Sec. 5406.

Record of registration;

issuance or denial;

renewal.

(a) Except as otherwise provided in subsection (b) of this section, the Secretary shall grant a record of registration to an applicant for registration who complies with Sec. 5405(a) of this title.

(b) The Secretary may refuse to grant a record of registration to an applicant for registration under Sec. 5405(a) of this title if the Secretary determines that the applicant has engaged in conduct that significantly adversely reflects on the LC :

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NMX Page 7 of 15 Released:

05/11/2022 05:15 PM applicant's fitness to act as an athlete agent.

In making the determination, the Secretary may consider whether the applicant has done any of the following:

(1) Pleading guilty or no contest to, has been convicted of, or has charges pending for, a crime that would be a felony if committed in this State.

(2) Made a materially false, misleading, deceptive, or fraudulent representation in the application or as an athlete agent.

(3) Engaged in conduct that would disqualify the applicant from serving in a fiduciary capacity.

(4) Engaged in conduct prohibited by Sec. 5414 of this title.
(5) Had a registration as an athlete agent suspended, revoked, or denied in any state.
(6) Been refused renewal of registration as an athlete agent in any state.
(7) Engaged in conduct resulting in imposition of a sanction, suspension, or declaration of ineligibility to participate in an interscholastic, intercollegiate, or professional athletic event on a student athlete or a sanction on an educational institution.

(8) Engaged in conduct that adversely reflects on the applicant's credibility, honesty, or integrity.

(c) In making a determination under subsection (b) of this section, the Secretary shall consider all of the following:

(1) How recently the conduct occurred.

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

(3) Other relevant conduct of the applicant.

(d) An athlete agent registered under subsection (a) of this section may apply to renew the registration by submitting an application for renewal in a form prescribed by the Secretary.

The applicant shall sign the application for renewal under penalty of perjury and include current information on all matters required in an original application for registration or verify there is no material change in the information.

(e) An athlete agent registered under Sec. 5405(c) of this title may renew the registration by proceeding under subsection (d) of this section or, if the registration in the other state has been renewed, by submitting to the Secretary copies of the application for renewal in the other state and the renewed registration from the other state.

The Secretary shall renew the registration if the Secretary determines all of the following:

(1) The registration requirements of the other state are substantially similar to or more restrictive than this chapter.

(2) The renewed registration has not been suspended or revoked and no action involving the individual's conduct as an athlete agent is pending against the individual or the individual's registration in any state.

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NMX Page 8 of 15 Released:

05/11/2022 05:15 PM (f) A record of registration or renewal of a record of registration under this chapter is valid for 2 years.

Sec. 5407.

Suspension, revocation, or refusal to renew registration.

(a) The Secretary may limit, suspend, revoke, or refuse to renew a registration of an individual registered under Sec. 5406(a) of this title for conduct that would have justified refusal to grant a record of registration under Sec. 5406(b) of this title.

(b) The Secretary may suspend or revoke a registration of an individual registered under Sec. 5405(c) of this title or renewed under Sec. 5406(e) of this title for any reason for which the Secretary could have refused to grant or renew registration or for conduct that would justify refusal to grant a record of registration under Sec. 5406(b) of this title.

Sec. 5408.

Temporary registration.

The Secretary may issue a temporary record of registration as an athlete agent while an application for registration or renewal of registration is pending.

Sec. 5409.

Registration and renewal fees.

(a) An application for registration or renewal of registration as an athlete agent must be accompanied by a fee in an amount set by the Secretary that approximates and reasonably reflects all costs necessary to defray the Secretary's expenses related to the administration of this chapter.

(b) The Secretary shall establish fees for all of the following:

(1) An initial application for registration.

(2) An application for registration based on a record of registration issued by another state.

(3) An application for renewal of registration.

(4) An application for renewal of registration based on a renewal of registration in another state.

Sec. 5410.

Required form of agency contract.

(a) An agency contract must be in a record signed by the parties.

(b) An agency contract must contain all of the following:

(1) A statement that the athlete agent is registered as an athlete agent in this State and a list of any other states in which the athlete agent is registered as an athlete agent.

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

(3) The name of any person not listed in the agent's application for registration or renewal of registration which will be compensated because the athlete signed the contract.

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NMX Page 9 of 15 Released:

05/11/2022 05:15 PM (4) A description of any expenses the athlete agrees to reimburse.

(5) A description of the services to be provided to the athlete.

(6) The duration of the contract.

(7) The date of execution.

(c) Subject to subsection (g) of this section, an agency contract must contain a conspicuous notice in boldface type and in substantially the following form:

WARNING TO STUDENT ATHLETE IF YOU SIGN THIS CONTRACT:

(1) YOU MAY LOSE YOUR ELIGIBILITY TO COMPETE AS A STUDENT ATHLETE IN YOUR SPORT;

(2) IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN 72 HOURS AFTER SIGNING THIS CONTRACT OR BEFORE THE NEXT SCHEDULED ATHLETIC EVENT IN WHICH YOU PARTICIPATE, WHICHEVER OCCURS FIRST, BOTH YOU AND YOUR ATHLETE AGENT MUST NOTIFY YOUR ATHLETIC DIRECTOR THAT YOU HAVE ENTERED INTO THIS CONTRACT AND PROVIDE THE NAME AND CONTACT INFORMATION OF THE ATHLETE AGENT;

AND (3) YOU MAY CANCEL THIS CONTRACT WITHIN 14 DAYS AFTER SIGNING IT.

CANCELLATION OF THIS CONTRACT MAY NOT REINSTATE YOUR ELIGIBILITY AS A STUDENT ATHLETE IN YOUR SPORT.

(d) 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 guardian 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.

(e) 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.

(f) 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 acknowledgement required by subsection (d) of this section.

(g) If a student athlete is a minor, an agency contract must be signed by the parent or guardian of the athlete and the notice required by subsection (c) of this section must be revised accordingly.

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NMX Page 10 of 15 Released:

05/11/2022 05:15 PM (h) The notice required under subsection (c) of this section and the record required under subsection (d) of this section must be in a language in which the student athlete is fluent or, if the athlete is a minor, a language in which the parent or guardian of the athlete is fluent.

Sec. 5411.

Notice to educational institution.

(a) For purposes of this section, "communicating or attempting to communicate" means contacting or attempting to contact by an in-person meeting, a record, or any other method that conveys or attempts to convey a message.

(b) Not later than 72 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 to the athletic director of the educational institution at which the athlete is enrolled or at which the agent has reasonable grounds to believe the athlete intends to enroll.

(c) Not later than 72 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 shall inform the athletic director of the educational institution at which the athlete is enrolled that the athlete has entered into an agency contract and the name and contact information of the athlete agent.

(d) If an athlete agent enters into an agency contract with a student athlete and the athlete subsequently enrolls at an educational institution, the agent shall notify the athletic director of the

institution of the existence of the contract not later than 72 hours after the agent knew or should have known the athlete enrolled.

(e) 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 agent shall notify the institution of the relationship not later than 10 days after the enrollment if the agent knows or should have known of the enrollment and either of the following apply:

(1) The relationship was motivated in whole or part by the intention of the agent to recruit or solicit the athlete to enter an agency contract in the future.

(2) The agent directly or indirectly recruited or solicited the athlete to enter an agency contract before the enrollment.

(f) 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 agent communicates or attempts to communicate with any of the following:

(1) 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.

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NMX Page 11 of 15 Released:

05/11/2022 05:15 PM (2) Another individual to have that individual influence the athlete or, if the athlete is a minor, the parent or guardian of the athlete to enter into an agency contract.

(g) If a communication or attempt to communicate with an athlete agent is initiated by a student athlete or another individual on behalf of the athlete, the agent shall notify in a record the athletic director of any educational institution at which the athlete is enrolled.

The notification must be made not later than 10 days after the communication or attempt.

(h) An educational institution that becomes aware of a violation of this chapter by an athlete agent shall notify all of the following of the violation:

(1) The Secretary.

(2) Any professional league or players association with which the institution is aware the agent is licensed or registered.

Sec. 5412.

Student athlete's right to cancel.

(a) A student athlete or, if the athlete is a minor, the parent or guardian of the athlete may cancel an agency contract by giving notice in a record of cancellation to the athlete agent not later than 14 days after the contract is signed.

(b) A student athlete or, if the athlete is a minor, the parent or guardian of the athlete may not waive the right to cancel an agency contract.

(c) If a student athlete, parent, or guardian cancels an agency contract, the athlete, parent, or guardian is not required to pay any consideration under the contract or return any consideration received from the athlete agent to influence the athlete to enter into the contract.

Sec. 5413.

Required records.

(a) An athlete agent shall create and retain for 5 years records of all of the following:

(1) The name and address of each student athlete represented by the agent.

(2) Each agency contract entered into by the agent.

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

(b) Records described in subsection (a) of this section are open to inspection by the Secretary during normal business hours.

Sec. 5414.

Prohibited conduct.

An athlete agent may not intentionally do any of the following:

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NMX Page 12 of 15 Released:

05/11/2022 05:15 PM (1) Give a student athlete or, if the athlete is a minor, a parent or guardian of the athlete materially false or misleading information or make a materially false promise or representation with the intent to influence the athlete, parent, or guardian to enter into an agency contract.

(2) Furnish anything of value to a student athlete or another individual, if to do so may result in loss

of the athlete's eligibility to participate in the athlete's sport, unless all of the following applies:

a.

The agent notifies the athletic director of the educational institution at which the athlete is enrolled or at which the agent has reasonable grounds to believe the athlete intends to enroll, not later than 72 hours after giving the thing of value.

b.

The athlete or, if the athlete is a minor, a parent or guardian of the athlete acknowledges to the agent in a separate record that receipt of the thing of value may result in loss of the athlete's eligibility to participate in the athlete's sport.

(3) 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 registered under this chapter.

(4) Fail to create, retain, or permit inspection of the records required by Sec. 5413 of this title.

(5) Fail to register when required by Sec. 5404 of this title.

(6) Provide materially false or misleading information in an application for registration or renewal of registration.

(7) Predate or postdate an agency contract.

(8) Fail to notify a student athlete or, if the athlete is a minor, a parent or guardian of the athlete, before the athlete, parent, or guardian signs an agency contract for a particular sport that the signing may result in loss of the athlete's eligibility to participate in the athlete's sport.

(9) Encourage another individual to do any of the acts described in paragraphs (1) through (8) of this section on behalf of the agent.

(10) Encourage another individual to assist any other individual in doing any of the acts described in paragraphs (1) through (8) of this section on behalf of the agent.

Sec. 5415.

Criminal penalty.

(a) An athlete agent who violates Sec. 5414 of this title is guilty of a class A misdemeanor.

A first conviction of a violation of Sec. 5414 of this title is punishable by a fine of not less than \$500 nor more than \$1,000 and imprisonment for not less than 1 year.

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NMX Page 13 of 15 Released:

05/11/2022 05:15 PM more than 1 year.

A second or subsequent conviction of a violation of Sec. 5414 of this title is punishable by a fine of not less than \$1,000 nor more than \$2,000 and imprisonment for not more than 1 year.

(b) The Superior Court has jurisdiction over a criminal violation of Sec. 5414 of this title.

Sec. 5416.

Civil remedy.

(a) An educational institution or student athlete may bring an action for damages against an athlete agent if the institution or athlete is adversely affected by an act or omission of the agent in violation of this chapter.

An educational institution or student athlete is adversely affected by an act or omission of the 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 meets one or more of the following:

(1) Is suspended or disqualified from participation in an interscholastic or intercollegiate sports event by or under the rules of a state or national federation or association that promotes or regulates interscholastic or intercollegiate sports.

(2) Suffers financial damage.

(b) A plaintiff that prevails in an action under this section may recover damages, costs, and reasonable attorney's 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 agent by or on behalf of the athlete.

(c) A violation of this chapter is an unfair or deceptive merchandising practice for purposes of Subchapter II of Chapter 25 of Title 6.

Sec. 5417.

Civil penalty.

The Secretary may assess a civil penalty against an athlete agent not to exceed \$50,000 for a violation of this chapter.

Sec. 5418.

Uniformity of application and construction.

In applying and construing this chapter, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact laws similar to this chapter.

Sec. 5419.

Relation to the Electronic Signatures in Global and National Commerce Act.

This chapter 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).

Section 2.

This Act takes effect on January 1, 2023.

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NMX Page 14 of 15 Released:

05/11/2022 05:15 PM SYNOPSIS This Act adopts the Uniform Law Commission's Revised Uniform Athlete Agents Act ("Revised Act"), revising Chapter 54, Title 24 of the Delaware Code, which is based on the Uniform Law Commission's Uniform Athlete Agents Act ("Uniform Act").

The Uniform Law Commission "provides states with non-partisan, well-conceived and well-drafted legislation that brings clarity and stability to critical areas of state statutory law." In the early 2000's, Delaware and 42 other states adopted the Uniform Act.

Delaware's version of the Uniform Act included a Board of Athlete Agents Examiners ("Board"), which was sunsetted by the Joint Legislative Oversight and Sunset Committee in 2012 and removed from the Delaware Code by Senate Bill 184 of the 146th General Assembly (78 Del.

Laws, c.

376).

In addition to removing provisions related to the Board, Senate Bill 184 also removed provisions requiring athlete agents doing business in Delaware to be registered and subject to administrative oversight.

In 2015, the Uniform Law Commission adopted the Revised Act to enhance protections for student athletes and educational institutions, create a uniform body of athlete agent registration information, and simplify the registration process.

The changes made to the Uniform Act by the Revised Act became necessary as athlete agent tactics have become more advanced and the industry has become more sophisticated.

The need for the Revised Act is highlighted by a recent FBI investigation into athlete agent activities related to the college basketball programs at a number of Division I schools.

The need is also highlighted by the National Collegiate Athletic Association's adoption of an interim policy in June 2021 that removes restrictions on student athletes receiving compensation for their name, image, and likeness.

Coinciding with this change, there has been an increase in athlete agent registrations in states with laws requiring registration.

The adoption of the Revised Act provides safeguards for student athletes by requiring that athlete agents be registered and that agency contracts contain specific notice provisions.

The Revised Act has been enacted by 18 states, with 4 of those enactments occurring in 2021.

CMNMX Page 315 of 315 Released:

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