

1 HB540
2 136389-7
3 By Representative Williams (J)
4 RFD: Boards, Agencies and Commissions
5 First Read: 02-APR-13

2
3
4
5
6
7
8 SYNOPSIS: Under the existing Alabama Uniform Athlete
9 Agents Act, persons who solicit student-athletes to
10 enter into a contract under which the person will
11 negotiate a professional sports services contact or
12 an endorsement contract on behalf of the
13 student-athlete are required to register with the
14 Secretary of State as athlete agents.

15 This bill would prohibit an athlete agent or
16 any other person, for compensation, from
17 negotiating enrollment on behalf of a
18 student-athlete at a particular educational
19 institution. The bill would also require
20 certification by any professional league players'
21 association, if there is one for the particular
22 sport, to be eligible to be an athlete agent. The
23 bill would also require a bond if the athlete agent
24 is representing student-athletes in a sport that
25 does not have a professional league players'
26 association.

1 This bill also revises the information
2 required to be provided when applying for
3 registration as an athlete agent and levies the
4 fees for registering. In addition to the existing
5 criminal penalties for violations of the act, this
6 bill would authorize the Alabama Athlete Agents
7 Commission to issue letters of reprimand and
8 censure to persons who violate the act and prohibit
9 individuals from being licensed as an athlete agent
10 after a third violation.

11 This bill would also add representatives
12 from Birmingham Southern College and Samford
13 University to the Alabama Athlete Agents
14 Commission.

15 Amendment 621 of the Constitution of Alabama
16 of 1901, now appearing as Section 111.05 of the
17 Official Recompilation of the Constitution of
18 Alabama of 1901, as amended, prohibits a general
19 law whose purpose or effect would be to require a
20 new or increased expenditure of local funds from
21 becoming effective with regard to a local
22 governmental entity without enactment by a 2/3 vote
23 unless: it comes within one of a number of
24 specified exceptions; it is approved by the
25 affected entity; or the Legislature appropriates
26 funds, or provides a local source of revenue, to
27 the entity for the purpose.

1 The purpose or effect of this bill would be
2 to require a new or increased expenditure of local
3 funds within the meaning of the amendment. However,
4 the bill does not require approval of a local
5 governmental entity or enactment by a 2/3 vote to
6 become effective because it comes within one of the
7 specified exceptions contained in the amendment.

8
9 A BILL
10 TO BE ENTITLED
11 AN ACT

12
13 Relating to the Alabama Uniform Athlete Agents Act,
14 to amend Sections 8-26A-2, 8-26A-4, 8-26A-5, 8-26A-6, 8-26A-9,
15 8-26A-10, 8-26A-11, 8-26A-13, 8-26A-14, 8-26A-15, 8-26A-17,
16 and 8-26A-30, Code of Alabama 1975, to prohibit persons for
17 compensation from representing student-athletes in negotiating
18 enrollment at a particular educational institution; to require
19 athlete agents to be certified by any applicable professional
20 league players' association, to require a bond if there is no
21 applicable professional league players' association to revise
22 the procedure and information required for applying for
23 registration as an athlete agent, to authorize the Alabama
24 Athlete Agents Commission to reprimand persons who violate the
25 act, and to revise the membership of the Alabama Athlete
26 Agents Commission; and in connection therewith would have as
27 its purpose or effect the requirement of a new or increased

1 expenditure of local funds within the meaning of Amendment 621
2 of the Constitution of Alabama of 1901, now appearing as
3 Section 111.05 of the Official ReCompilation of the
4 Constitution of Alabama of 1901, as amended.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

6 Section 1. Sections 8-26A-2, 8-26A-4, 8-26A-5,
7 8-26A-6, 8-26A-9, 8-26A-10, 8-26A-11, 8-26A-13, 8-26A-14,
8 8-26A-15, 8-26A-17, and 8-26A-30, Code of Alabama 1975, are
9 amended read as follows:

10 "§8-26A-2.

11 "In this chapter the following words have the
12 following meanings:

13 "(1) AGENCY CONTRACT. An agreement in which a
14 student-athlete authorizes a person to negotiate or solicit on
15 behalf of the student-athlete a professional-sports-services
16 contract, ~~or~~ an endorsement contract, or enrollment at an
17 educational institution.

18 "(2) ATHLETE AGENT. An individual who enters into an
19 agency contract with a student-athlete or, directly or
20 indirectly, recruits or solicits a student-athlete to enter
21 into an agency contract. The term includes an individual who
22 represents to the public that the individual is an athlete
23 agent. The term does not include a spouse, parent, ~~or~~ sibling,
24 grandparent, or legal guardian of the student-athlete or an
25 individual acting solely on behalf of a professional sports
26 team or professional sports organization.

1 "(3) ATHLETIC DIRECTOR. An individual responsible
2 for administering the overall athletic program of an
3 educational institution or, if an educational institution has
4 separately administered athletic programs for male students
5 and female students, the athletic program for males or the
6 athletic program for females, as appropriate.

7 "(4) CERTIFIED WITH THE CORRESPONDING PROFESSIONAL
8 LEAGUE PLAYERS' ASSOCIATION. A certificate from the
9 appropriate players' association of the professional league
10 for which an athlete agent is soliciting or representing
11 athletes, if any, that the athlete agent is approved and in
12 good standing with the association.

13 "~~(4)~~ (5) COMMISSION. The Alabama Athlete Agents
14 Commission.

15 "~~(5)~~ (6) CONTACT. A communication, direct or
16 indirect, between an athlete agent and a student-athlete, to
17 recruit or solicit the student-athlete to enter into an agency
18 contract.

19 "~~(6)~~ (7) ENDORSEMENT CONTRACT. An agreement under
20 which a student-athlete is employed or receives consideration
21 to use on behalf of the other party any value that the
22 student-athlete may have because of publicity, reputation,
23 following, or fame obtained because of athletic ability or
24 performance.

25 "~~(7)~~ (8) INTERCOLLEGIATE SPORT. A sport played at
26 the collegiate level for which eligibility requirements for
27 participation by a student-athlete are established by a

1 national association for the promotion or regulation of
2 collegiate athletics.

3 "~~(8)~~ (9) PERSON. An individual, corporation,
4 business trust, estate, trust, partnership, limited liability
5 company, association, joint venture, government; governmental
6 subdivision, agency, or instrumentality; public corporation,
7 or any other legal or commercial entity.

8 "~~(9)~~ (10) PROFESSIONAL-SPORTS-SERVICES CONTRACT. An
9 agreement under which an individual is employed or agrees to
10 render services as a player on a professional sports team,
11 with a professional sports organization, or as a professional
12 athlete in an individual sport.

13 "~~(10)~~ (11) RECORD. Information that is inscribed on
14 a tangible medium or that is stored in an electronic or other
15 medium and is retrievable in perceivable form.

16 "~~(11)~~ (12) REGISTRATION. Registration as an athlete
17 agent pursuant to this chapter.

18 "~~(12)~~ (13) STATE. A state of the United States, the
19 District of Columbia, Puerto Rico, the United States Virgin
20 Islands, or any territory or insular possession subject to the
21 jurisdiction of the United States.

22 "~~(13)~~ (14) STUDENT-ATHLETE. An individual who
23 engages in, is eligible to engage in, or may be eligible in
24 the future to engage in, any intercollegiate sport. If an
25 individual is permanently ineligible to participate in a
26 particular intercollegiate sport, the individual is not a
27 student-athlete for purposes of that sport.

1 "(15) THING OF VALUE. Anything of the slightest
2 value, movable or immovable, corporeal or incorporeal, public
3 or private, and specifically including transportation,
4 telephone and telegraph services, or other services available
5 for hire.

6 "§8-26A-4.

7 "(a) Except as otherwise provided in subsection ~~(b)~~
8 (c), an individual may not act as an athlete agent in this
9 state without holding a certificate of registration under
10 Section 8-26A-6 or Section 8-26A-8.

11 "(b) An individual may not act as an athlete agent
12 in this state without holding a certificate of registration
13 with the corresponding professional league players'
14 association, if such an association exists.

15 "~~(b)~~ (c) Before being issued a certificate of
16 registration, an individual may act as an athlete agent in
17 this state for all purposes except signing an agency contract,
18 if ~~both~~ all of the following occur:

19 "(1) A student-athlete or another person acting on
20 behalf of the student-athlete initiates communication with the
21 individual.

22 "(2) Within 14 days after an initial act as an
23 athlete agent, the individual submits an application for
24 registration as an athlete agent in this state.

25 "(3) The individual is certified with the
26 corresponding professional league players' association. If the
27 individual is seeking to solicit or represent a

1 student-athlete in a professional sport for which there is a
2 professional league players' association that does not certify
3 agents until an athlete represented by an agent makes a
4 specified minimum salary, the individual is not required to be
5 certified by that association until the individual represents
6 an athlete that makes the minimum salary.

7 "(d) ~~(c)~~ An agency contract resulting from conduct
8 in violation of this section is void and the athlete agent
9 shall return any consideration received under the contract.

10 "§8-26A-5.

11 "(a) An applicant for registration shall submit an
12 application for registration to the Secretary of State in a
13 form prescribed by the Secretary of State. The application
14 shall be typewritten or submitted electronically, if
15 technology is available from the Office of the Secretary of
16 State for electronic submission, in the name of an individual,
17 notarized, and, ~~except as otherwise provided in subsection~~
18 ~~(b)~~, signed or otherwise authenticated by the applicant under
19 penalty of perjury. and The application shall state or contain
20 all of the following:

21 "(1) Certified copies of two forms of the
22 applicant's identification, including one form of photo
23 identification.

24 "~~(1)~~ (2) The name of the applicant and the address
25 of the applicant's principal place of business.

26 "~~(2)~~ (3) The name of the applicant's business or
27 employer, if applicable.

1 "~~(3)~~ (4) Any business or occupation engaged in by
2 the applicant for the five years next preceding the date of
3 submission of the application.

4 "~~(4)~~ (5) A description of the applicant's:

5 "a. Formal training as an athlete agent.

6 "b. Practical experience as an athlete agent.

7 "c. Educational background relating to the
8 applicant's activities as an athlete agent.

9 "~~(5)~~ (6) The names and addresses of three
10 individuals not related to the applicant and who are not
11 current employers or co-workers of the applicant who are
12 willing to serve as references.

13 "(7) The name and address of the applicant's agent
14 for service of process, if the applicant is not domiciled in
15 the State of Alabama, including an affidavit accepting such
16 appointment from the applicant's agent for service of process,
17 if not previously filed and on record with the Secretary of
18 State.

19 "~~(6)~~ (8) The name, sport, and last known team for
20 each individual for whom the applicant acted as an athlete
21 agent during the five years next preceding the date of
22 submission of the application. If an individual is granted
23 registration, the list of individuals for whom the agent acts
24 as an athlete agent shall be updated every six months.

25 "~~(8)~~ (9) Whether the applicant or any person named
26 pursuant to subdivision ~~(7)~~ (12) has been convicted of a crime

1 that, if committed in this state, would be a crime involving
2 moral turpitude or a felony, and identify the crime.

3 "(10) Certified copies of a certificate of
4 registration as an athlete agent with a professional league
5 players' association, if applicable.

6 "(11) Copies of all documentation establishing
7 registration as an athlete agent in other states, if
8 applicable.

9 ~~"(7)~~ (12) The names and addresses of all persons who
10 are:

11 "a. With respect to the athlete agent's business if
12 it is not a corporation, the partners, members, officers,
13 managers, associates, or profit-sharers of the business.

14 "b. With respect to a corporation employing the
15 athlete agent, the officers, directors, and any shareholder of
16 the corporation having an interest of five percent or greater.

17 ~~"(9)~~ (13) Whether there has been any administrative
18 or judicial determination that the applicant or any person
19 named pursuant to subdivision ~~(7)~~ (12) has made a false,
20 misleading, deceptive, or fraudulent representation.

21 "(14) Whether any professional league players'
22 association or organization regulating athletics has at any
23 time reprimanded, sanctioned, suspended, or otherwise
24 penalized the applicant or any person named pursuant to
25 subdivision (12) and a description of the circumstances
26 submitted by the association or organization.

1 "~~(10)~~ (15) Any instance in which the conduct of the
2 applicant or any person named pursuant to subdivision ~~(7)~~ (12)
3 resulted in the imposition of a sanction, suspension, or
4 declaration of ineligibility to participate in an
5 interscholastic or intercollegiate athletic event on a
6 student-athlete or educational institution and a description
7 of the circumstances submitted by the applicable sanctioning
8 body.

9 "~~(11)~~ (16) Any sanction, suspension, or disciplinary
10 action taken against the applicant or any person named
11 pursuant to subdivision ~~(7)~~ (12) arising out of occupational
12 or professional conduct and a description of the circumstances
13 submitted by the applicable sanctioning body.

14 "~~(12)~~ (17) Whether there has been any denial of an
15 application for, suspension or revocation of, or refusal to
16 renew, the registration or licensure of the applicant or any
17 person named pursuant to subdivision ~~(7)~~ (12) as an athlete
18 agent in any state and the reasons for such action submitted
19 by the applicable body.

20 "(18) If an applicant sends in the application to
21 act as an agent for athletes in a professional league without
22 a players' association, or the individual is not required to
23 be certified under subdivision (3) of subsection (c) of
24 Section 8-26A-4, he or she shall show proof that the applicant
25 has posted with the commission a twenty-five thousand dollar
26 (\$25,000) surety bond issued by an insurance company
27 authorized to do business in Alabama. The bond shall be in

1 favor of the commission, for the use and benefit of any
2 academic institution within Alabama injured or damaged as a
3 result of acts or omissions by the applicant, including, but
4 not limited to, reasonable costs and attorneys' fees. The bond
5 shall be in effect for all times that the athlete agent has an
6 active license or conducts business as an athlete agent in
7 this or any other state.

8 "(b) To be considered valid on the first day in
9 April, the Office of the Secretary of State must receive the
10 registration by the first day of March. To be considered valid
11 on the first day of August, the Office of the Secretary of
12 State must receive the registration by the first day of July.
13 To be considered valid on the first day of December, the
14 Office of the Secretary of State must receive the registration
15 by the first day of November.

16 "~~(b)~~ (c) An individual who has submitted an
17 application for, and holds a certificate of, registration or
18 licensure as an athlete agent in another state, may submit a
19 copy of the application and certificate in lieu of submitting
20 an application in the form prescribed pursuant to subsection
21 (a). The Secretary of State shall accept the application and
22 the certificate from the other state as an application for
23 registration in this state if the applicant is certified with
24 the corresponding professional league players' association and
25 the application to the other state meets all of the following
26 criteria:

1 "(1) It was submitted in the other state within six
2 months next preceding the submission of the application in
3 this state and the applicant certifies that the information
4 contained in the application is current.

5 "(2) It contains information substantially similar
6 to or more comprehensive than that required in an application
7 submitted in this state.

8 "(3) It was signed by the applicant under penalty of
9 perjury.

10 "~~(c)~~ (d) An applicant for registration shall be a
11 citizen of the United States or, if not a citizen of the
12 United States, a person who is legally present in the United
13 States with appropriate documentation from the federal
14 government.

15 "§8-26A-6.

16 "(a) Except as otherwise provided in subsection (b),
17 the Secretary of State shall issue a certificate of
18 registration to an individual who complies with subsection (a)
19 of Section 8-26A-5 or whose application has been accepted
20 under subsection ~~(b)~~ (c) of Section 8-26A-5 and pays the
21 appropriate fee.

22 "(b) The Secretary of State may refuse to issue a
23 certificate of registration if the Secretary of State
24 determines that the applicant has engaged in conduct that has
25 a significant adverse effect on the applicant's fitness to act
26 as an athlete agent.

1 "(c) Any educational institution, at its expense,
2 may conduct a financial or criminal background check on any
3 applicant and once information is obtained, the institution
4 shall share the information with the commission, the
5 institutions represented on the commission, and other
6 entities, as appropriate.

7 "~~(c)~~ (d) In making the determination under
8 subsection (b), the Secretary of State may consider, without
9 limitation, whether the applicant has done any of the
10 following:

11 "(1) Been convicted of a crime that, if committed in
12 this state, would be a crime involving moral turpitude or a
13 felony.

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

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

19 "(4) Engaged in conduct prohibited by Section
20 8-26A-14.

21 "(5) Had a registration or licensure as an athlete
22 agent suspended, revoked, or denied or been refused renewal of
23 registration or licensure as an athlete agent in any state.

24 "(6) Engaged in conduct that has caused an
25 institution or school to be sanctioned by any entity governing
26 or otherwise regulating intercollegiate, interscholastic, or
27 professional sports.

1 "~~(6)~~ (7) Engaged in conduct the consequence of which
2 was that a sanction, suspension, or declaration of
3 ineligibility to participate in an interscholastic or
4 intercollegiate athletic event was imposed on a
5 student-athlete or educational institution.

6 "~~(7)~~ (8) Engaged in conduct that significantly
7 adversely reflects on the applicant's credibility, honesty, or
8 integrity.

9 "(9) Failed to post a surety bond in favor of the
10 State of Alabama Athlete Agent Commission pursuant to Section
11 8-26A-5(a)(18).

12 "~~(d)~~ (e) In making a determination under subsection
13 (b), the Secretary of State shall consider all of the
14 following:

15 "(1) How recently the conduct occurred.

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

18 "(3) Any other relevant conduct of the applicant.

19 "~~(e)~~ (f) An athlete agent may apply to renew a
20 registration by submitting an application for renewal in a
21 form prescribed by the Secretary of State. The application for
22 renewal shall be signed by the applicant under penalty of
23 perjury and shall contain current information on all matters
24 required in an original registration.

25 "(g) ~~(f)~~ An individual who has submitted an
26 application for renewal of registration or licensure in
27 another state, in lieu of submitting an application for

1 renewal in the form prescribed pursuant to subsection ~~(e)~~ (f),
2 may file a copy of the application for renewal and a valid
3 certificate of registration or licensure from the other state.
4 The Secretary of State shall accept the application for
5 renewal from the other state as an application for renewal in
6 this state if the applicant is certified with the
7 corresponding professional league players' association and the
8 application to the other state meets all of the following
9 criteria:

10 "(1) It was submitted in the other state within six
11 months next preceding the filing in this state and the
12 applicant certifies the information contained in the
13 application for renewal is current.

14 "(2) It contains information substantially similar
15 to or more comprehensive than that required in an application
16 for renewal submitted in this state.

17 "(3) It was signed by the applicant under penalty of
18 perjury.

19 "~~(g)~~ (h) A certificate of registration or a renewal
20 of a registration is valid for two years.

21 "~~(h)~~ (i) A denial of a certificate of registration
22 may be appealed to the commission in accordance with the
23 Alabama Administrative Procedure Act. The following rules
24 apply to an appeal under this subsection.

25 "(1) In the event that proper notice of appeal is
26 given to the Secretary of State, the Secretary of State shall
27 forward the file to the Chief Administrative Law Judge of the

1 Central Panel of Administrative Law Judges in the office of
2 the Attorney General, along with a request that an
3 administrative law judge be assigned to conduct the hearing of
4 the requested appeal.

5 "(2) The administrative law judge designated to hear
6 the appeal shall proceed to give notice of the hearing under
7 the Administrative Procedure Act. The administrative law judge
8 shall conduct the hearing and provide the commission with
9 proposed findings of fact, conclusions of law, and a
10 recommendation.

11 "(3) Upon receipt of the report of the
12 administrative law judge along with the file and record of the
13 appeal, the commission may adopt, alter, or reject the
14 proposed findings of the administrative law judge and issue
15 the final order.

16 "(4) The final order of the commission may be
17 appealed to the circuit court under the terms and standards
18 set out in the Administrative Procedure Act.

19 "(5) Costs incurred by the state for any appeal to
20 the commission shall be paid by the Secretary of State from
21 monies appropriated for the implementation of this chapter.

22 "§8-26A-9.

23 "An application for registration or renewal of
24 registration shall be accompanied by a fee in the following
25 amount:

26 "(1) ~~Two hundred dollars (\$200)~~ Five hundred dollars
27 (\$500) for an initial ~~application for~~ registration.

1 "(2) Two hundred dollars (\$200) for renewal of
2 registration.

3 "~~(2) One hundred dollars (\$100) for an application~~
4 ~~for registration based upon a certificate of registration or~~
5 ~~licensure issued by another state.~~

6 "~~(3) One hundred dollars (\$100) for an application~~
7 ~~for renewal of registration.~~

8 "~~(4) One hundred dollars (\$100) for an application~~
9 ~~for renewal of registration based upon an application for~~
10 ~~renewal of registration or licensure submitted in another~~
11 ~~state.~~

12 "§8-26A-10.

13 "(a) An agency contract shall be in a record, signed
14 or otherwise authenticated by the parties.

15 "(b) An agency contract shall state or contain all
16 of the following:

17 "(1) The amount and method of calculating the
18 consideration to be paid by the student-athlete for services
19 to be provided by the athlete agent under the contract and any
20 other consideration the athlete agent has received or will
21 receive from any other source for entering into the contract
22 or for providing the services.

23 "(2) The name of any person not listed in the
24 application for registration or renewal of registration who
25 will be compensated because the student-athlete signed the
26 agency contract, and an explanation of services rendered by
27 that person.

1 "(3) A description of any expenses that the
2 student-athlete agrees to reimburse.

3 "(4) A description of the services to be provided to
4 the student-athlete.

5 "(5) The duration of the contract.

6 "(6) The date of execution.

7 "(c) An agency contract shall contain the following
8 ~~in close proximity to the signature of the student-athlete, a~~
9 ~~conspicuous notice in boldface type in capital letters~~
10 ~~stating: in a separate document which shall be attached to the~~
11 ~~agent contract and signed separately by the student-athlete,~~
12 ~~in conspicuous bold face, capitalized, and underlined text ten~~
13 ~~font or larger:~~

14 "WARNING TO STUDENT-ATHLETE

15 "IF YOU SIGN THIS CONTRACT:

16 "(1) YOU ~~MAY~~ WILL LIKELY IMMEDIATELY LOSE YOUR
17 ELIGIBILITY TO COMPETE AS A STUDENT-ATHLETE IN YOUR SPORT. ~~;~~

18 "(2) IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN 72
19 HOURS AFTER ENTERING INTO THIS CONTRACT, OR BEFORE THE NEXT
20 SCHEDULED ATHLETIC EVENT IN WHICH YOU MAY PARTICIPATE,
21 WHICHEVER OCCURS FIRST, BOTH YOU AND YOUR ATHLETE AGENT MUST
22 NOTIFY YOUR ATHLETIC DIRECTOR AND HEAD COACH. ~~;~~ ~~AND~~

23 "(3) YOU MAY CANCEL THIS CONTRACT WITHIN 14 DAYS
24 AFTER SIGNING IT. CANCELLATION OF THIS CONTRACT MAY NOT
25 REINSTATE YOUR ELIGIBILITY.

26 "DO NOT SIGN THIS CONTRACT IF IT CONTAINS BLANK
27 SPACES.

1 "(5) IF YOU BELIEVE YOU HAVE BEEN UNLAWFULLY INDUCED
2 INTO SIGNING THIS CONTRACT, CONTACT YOUR ATHLETIC DIRECTOR OR
3 HEAD COACH, WHO CAN HELP GET THIS CONTRACT DECLARED VOID AND
4 UNENFORCEABLE.

5 "(d) An agency contract that does not conform to
6 this section is voidable by the student-athlete. If a
7 student-athlete voids an agency contract, the student-athlete
8 is not required to pay any consideration under the contract or
9 to return any consideration received from the athlete agent to
10 induce the student-athlete to enter into the contract.

11 "(e) The athlete agent shall give a record of the
12 signed or otherwise authenticated agency contract to the
13 student-athlete at the time of execution.

14 "§8-26A-11.

15 "(a) Within 72 hours after entering into an agency
16 contract or before the next scheduled athletic event in which
17 the student-athlete may participate, whichever occurs first,
18 the athlete agent shall give notice in a record of the
19 existence of the contract to the athletic director of the
20 educational institution at which the student-athlete is
21 enrolled or the athlete agent has reasonable grounds to
22 believe the student-athlete intends to enroll, and to the head
23 coach of the sport at the educational institution in which the
24 student-athlete participates or will participate.

25 "(b) Within 72 hours after entering into an agency
26 contract or before the next athletic event in which the
27 student-athlete may participate, whichever occurs first, the

1 student-athlete shall inform the athletic director of the
2 educational institution at which the student-athlete is
3 enrolled and the head coach of the sport at the educational
4 institution in which he or she participates that he or she has
5 entered into an agency contract.

6 "§8-26A-13.

7 "(a) An athlete agent shall retain the following
8 records for a period of five years:

9 "(1) The name and address of each individual
10 represented by the athlete agent.

11 "(2) Any agency contract entered into by the athlete
12 agent.

13 "(3) The names and addresses of each individual that
14 contacted any student-athlete on behalf of the athlete agent.

15 "~~(3)~~ (4) A detailed accounting of any direct costs
16 incurred by the athlete agent in the recruitment or
17 solicitation of a student-athlete to enter into an agency
18 contract.

19 "(5) Documentation of all notifications made to
20 athletic directors or head coaches concerning intended contact
21 with student-athletes.

22 "(b) Records required by subsection (a) to be
23 retained are open to inspection by the Secretary of State or
24 the commission during normal business hours.

25 "§8-26A-14.

1 "(a) An athlete agent, with the intent to induce a
2 student-athlete to enter into an agency contract, may not do
3 any of the following:

4 "(1) Give any materially false or misleading
5 information or make a materially false promise or
6 representation.

7 "(2) Furnish, directly or indirectly, any thing of
8 value to a student-athlete before the student-athlete enters
9 into the agency contract.

10 "(3) Furnish, directly or indirectly, any thing of
11 value to any individual other than the student-athlete or
12 another registered athlete agent.

13 "(b) An athlete agent may not intentionally or
14 knowingly do any of the following:

15 "(1) Initiate contact with a student-athlete unless
16 registered under this chapter.

17 "(2) Refuse to permit inspection of the records
18 required to be retained by Section 8-26A-13.

19 "(3) Fail to register when required by Section
20 8-26A-4.

21 "(4) Provide materially false or misleading
22 information in an application for registration or renewal of
23 registration.

24 "(5) Predate or postdate an agency contract.

25 "(c) An athlete agent may not fail to notify a
26 student-athlete before the student-athlete signs or otherwise
27 authenticates an agency contract for a particular sport that

1 the signing or authentication will likely ~~may~~ make the
2 student-athlete ineligible to participate as a student-athlete
3 in that sport.

4 "(d) A student-athlete or former student-athlete may
5 not do ~~either~~ any of the following:

6 "(1) Fail to give ~~the~~ notification to the athletic
7 director of the educational institution at which the
8 student-athlete or former student-athlete is enrolled that he
9 or she has entered into an agency contract.

10 "(2) Fail to give notice to the head coach of the
11 sport in which the student-athlete participates or former
12 student-athlete participated at the academic institution in
13 which he or she is enrolled that he or she has entered into an
14 agency contract.

15 "~~(2)~~ (3) Accept anything from an athlete agent
16 without first entering into a contract in conformity with this
17 chapter.

18 "(e) An athlete agent or any other person may not:

19 "(1) For compensation, negotiate or advocate with an
20 educational institution on behalf of a student-athlete for
21 enrollment at the educational institution with the expectation
22 that the student-athlete will participate in an
23 intercollegiate sport.

24 "(2) Solicit or receive any thing of value from an
25 educational institution or any other person in return for
26 attempting to influence one or more student-athletes to enroll
27 or otherwise securing their enrollment at that educational

1 institution with the expectation that the student-athlete will
2 participate in an intercollegiate sport, unless the person
3 soliciting or receiving any thing of value is directly
4 employed by the educational institution and the recruiting of
5 student-athletes to participate in intercollegiate sports for
6 that educational institution occurs in the course of their
7 employment.

8 "(3) Provide to a student-athlete any thing of value
9 that may compromise his or her eligibility to participate in
10 an intercollegiate sport according to requirements set by a
11 national association for the promotion or regulation of
12 collegiate athletics.

13 "§8-26A-15.

14 "(a) The commission of any conduct prohibited by an
15 athlete agent in subsection (a) of Section 8-26A-14 and who
16 has intentionally not registered under this chapter is a Class
17 B felony.

18 "(b) Except for subdivision (1) of subsection (b) of
19 Section 8-26A-14, the commission of any conduct prohibited by
20 an athlete agent in Section 8-26A-14 is a Class C felony.

21 "(c) The commission of any conduct prohibited by an
22 athlete agent in subdivision (1) of subsection (b) of Section
23 8-26A-14 is a Class A misdemeanor.

24 "(d) The commission of any conduct prohibited by a
25 student-athlete in Section 8-26A-14 is a Class A misdemeanor,
26 and in addition to penalties otherwise prescribed by law, an

1 individual having been convicted shall perform a minimum of 70
2 hours of community service.

3 "(e) Intentionally or knowingly filing a false sworn
4 complaint or giving false sworn testimony to any person
5 concerning activities covered by this chapter is a Class C
6 felony.

7 "§8-26A-17.

8 "(a) The Secretary of State, with concurrence of the
9 Attorney General, may assess an administrative penalty against
10 an athlete agent not to exceed twenty-five thousand dollars
11 (\$25,000) for each violation of this chapter.

12 "(b) The assessment of an administrative penalty may
13 be appealed to the commission in accordance with the Alabama
14 Administrative Procedure Act. The following rules apply to an
15 appeal under this subsection.

16 "(1) In the event that proper notice of appeal is
17 given to the Secretary of State, the Secretary of State shall
18 forward the file to the Chief Administrative Law Judge of the
19 Central Panel of Administrative Law Judges in the office of
20 the Attorney General, along with a request that an
21 administrative law judge be assigned to conduct the hearing of
22 the requested appeal.

23 "(2) The administrative law judge designated to hear
24 the appeal shall proceed to give notice of the hearing under
25 the Administrative Procedure Act. The administrative law judge
26 shall conduct the hearing and provide the commission with

1 proposed findings of fact, conclusions of law, and a
2 recommendation.

3 "(3) Upon receipt of the report of the
4 administrative law judge along with the file and record of the
5 appeal, the commission may adopt, alter, or reject the
6 proposed findings of the administrative law judge and issue
7 the final order.

8 "(4) The final order of the commission may be
9 appealed to the circuit court under the terms and standards
10 set out in the Administrative Procedure Act.

11 "(5) Costs incurred by the state for any appeal to
12 the commission shall be paid by the Secretary of State from
13 monies appropriated for the implementation of this chapter.

14 "(c) An individual's first violation of any section
15 of this chapter shall result in a public letter of reprimand
16 and censure from the commission. Copies of the letter shall be
17 sent to the players' association of any professional league in
18 which the athlete agent represents a player.

19 "(d) An individual's second violation of any section
20 of this chapter shall result in suspension of his or her
21 license to serve as an athlete agent in the State of Alabama.
22 After one calendar year, the individual may re-apply for an
23 athlete agent license and pay all applicable registration fees
24 to reinstate. Notification of the individual's suspension
25 shall be sent to the players' association of any professional
26 league in which the athlete agent represents a player.

1 "(e) An individual's third violation of any section
2 of this chapter shall result in a permanent disassociation
3 from the State of Alabama as an athlete agent. Notification of
4 the individual's ineligibility to serve as an athlete agent in
5 Alabama will be sent to the players' association of any
6 professional league in which the athlete agent represents a
7 player.

8 "§8-26A-30.

9 "(a) The Alabama Athlete Agents Regulatory
10 Commission is continued in existence as the Alabama Athlete
11 Agents Commission. The commission shall consist of the
12 Secretary of State and ~~18~~ 20 members to be appointed as
13 follows:

14 "(1) One member appointed by the Governor.

15 "(2) One member appointed by the Lieutenant
16 Governor.

17 "(3) One member appointed by the Speaker of the
18 House of Representatives.

19 "(4) The athletic director or an individual
20 appointed by the athletic director at each of the following
21 institutions of higher education:

22 "a. Auburn University.

23 "b. University of Alabama, Tuscaloosa.

24 "c. University of South Alabama.

25 "d. Alabama State University.

26 "e. Alabama A & M University.

27 "f. Tuskegee University.

- 1 "g. Troy University.
- 2 "h. Jacksonville State University.
- 3 "i. University of North Alabama.
- 4 "j. University of West Alabama.
- 5 "k. Miles College.
- 6 "l. University of Montevallo.
- 7 "m. University of Alabama, Huntsville.
- 8 "n. University of Alabama, Birmingham.
- 9 "o. Birmingham-Southern College.
- 10 "p. Samford University.

11 "(5) One member appointed by the Alabama High School
12 Athletic Association.

13 "(b) In appointing members to the board, the
14 appointing power shall select those persons whose
15 appointments, to the extent possible, ensure that the
16 membership of the board is inclusive and reflects the racial,
17 gender, urban/rural, and economic diversity of the state. All
18 appointed members of the commission shall be citizens of the
19 United States and residents of Alabama. The term of each
20 appointed commission member shall be three years and members
21 are eligible for reappointment. If a vacancy occurs, the
22 appointing power for the vacant position shall appoint a
23 successor who shall take office immediately and serve the
24 remainder of the unexpired term. Members of the Alabama
25 Athlete Agents Regulatory Commission serving on October 1,
26 2001, shall continue to serve on the Alabama Athlete Agents
27 Commission until their term expires.

1 "(c) Within 15 days after their appointment, the
2 members of the commission shall take an oath before any person
3 lawfully authorized to administer oaths in this state to
4 faithfully and impartially perform their duties as members of
5 the commission, and the same shall be filed with the Secretary
6 of State.

7 "(d) The Governor may remove from the commission any
8 appointed member for neglect of duty or other just cause.

9 "(e) The commission shall elect annually a
10 chairperson, a vice chairperson, and a secretary-treasurer
11 from its members.

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

14 "(g) The Secretary of State shall keep records of
15 the proceedings of the commission; and, in any proceeding in
16 court, civil or criminal, arising out of or founded upon any
17 provision of this chapter, copies of those records certified
18 as correct by the Secretary of State shall be admissible in
19 evidence as tending to prove the content of the records.

20 "(h) The Secretary of State shall have printed and
21 published for distribution an annual register which shall
22 contain the names, arranged alphabetically, of all persons
23 registered under this chapter. The Secretary of State shall
24 also provide a quarterly report to the commission of all
25 agents registered during the quarter, any suspension or
26 revocation of registered agents during the quarter, and other
27 disciplinary action taken against an agent.

1 "(i) The Secretary of State may employ personnel and
2 arrange for assistance, service, and supplies as the Secretary
3 of State may require for the performance of the duties of the
4 commission.

5 "(j) The commission may promulgate, and from time to
6 time, amend rules and standards of conduct for athlete agents
7 appropriate for the protection of the residents of the state.
8 At least 35 days prior to the completion of notice of any rule
9 or amendment, the Secretary of State shall mail copies of the
10 proposed rule or amendment to all persons registered under
11 this chapter, with a notice advising them of the completion of
12 notice of the rule or amendment and requesting that they
13 submit advisory comments thereon at least 15 days prior to the
14 completion of notice. Failure to receive by mail a rule,
15 amendment, or notice by all persons registered under this
16 chapter shall not affect the validity of the rule or
17 amendment.

18 "(k) Except for the Secretary of State, each member
19 of the commission, who is not otherwise reimbursed by public
20 funds for services provided to this commission, shall be paid
21 fifty dollars (\$50) for each day the member is actively
22 engaged in the discharge of official duties as a member of the
23 commission, and shall also be entitled to, and shall receive,
24 reimbursement for actual necessary expenses incurred in the
25 discharge of official duties on behalf of the commission.

26 "(l) The Alabama Athlete Agents Commission shall be
27 subject to the Alabama Sunset Law, Chapter 20, Title 41, as an

1 enumerated agency as provided in Section 41-20-3, and shall
2 have a termination date of October 1, 2003, and every four
3 years thereafter, unless continued pursuant to the Alabama
4 Sunset Law."

5 Section 2. Although this bill would have as its
6 purpose or effect the requirement of a new or increased
7 expenditure of local funds, the bill is excluded from further
8 requirements and application under Amendment 621 because the
9 bill defines a new crime or amends the definition of an
10 existing crime.

11 Section 3. This act shall become effective on the
12 first day of the third month following its passage and
13 approval by the Governor, or its otherwise becoming law.