

1 SB444
2 136389-1
3 By Senators Allen and Dial
4 RFD: Judiciary
5 First Read: 22-MAR-12

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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.

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

4 "§8-26A-5.

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

15 "(1) Certified copies of two forms of the
16 applicant's identification, including one form of photo
17 identification.

18 "~~(1)~~ (2) The name of the applicant and the address
19 of the applicant's principal place of business.

20 "~~(2)~~ (3) The name of the applicant's business or
21 employer, if applicable.

22 "~~(3)~~ (4) Any business or occupation engaged in by
23 the applicant for the five years next preceding the date of
24 submission of the application.

25 "~~(4)~~ (5) A description of the applicant's:

26 "a. Formal training as an athlete agent.

27 "b. Practical experience as an athlete agent.

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

3 "~~(5)~~ (6) The names and addresses of three
4 individuals not related to the applicant and who are not
5 current employers or co-workers of the applicant who are
6 willing to serve as references.

7 "(7) The name and address of the applicant's agent
8 for service of process, if the applicant is not domiciled in
9 the State of Alabama, including an affidavit accepting such
10 appointment from the applicant's agent for service of process,
11 if not previously filed and on record with the Secretary of
12 State.

13 "~~(6)~~ (8) The name, sport, and last known team for
14 each individual for whom the applicant acted as an athlete
15 agent during the five years next preceding the date of
16 submission of the application. If an individual is granted
17 registration, the list of individuals for whom the agent acts
18 as an athlete agent shall be updated every three months.

19 "~~(8)~~ (9) Whether the applicant or any person named
20 pursuant to subdivision ~~(7)~~ (12) has been convicted of a crime
21 that, if committed in this state, would be a crime involving
22 moral turpitude or a felony, and identify the crime.

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

1 "~~(11)~~ Copies of all documentation establishing
2 registration as an athlete agent in other states, if
3 applicable.

4 "~~(7)~~ (12) The names and addresses of all persons who
5 are:

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

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

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

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

22 "~~(10)~~ (15) Any instance in which the conduct of the
23 applicant or any person named pursuant to subdivision ~~(7)~~ (12)
24 resulted in the imposition of a sanction, suspension, or
25 declaration of ineligibility to participate in an
26 interscholastic or intercollegiate athletic event on a
27 student-athlete or educational institution and a description

1 of the circumstances submitted by the applicable sanctioning
2 body.

3 ~~"(11)~~ (16) Any sanction, suspension, or disciplinary
4 action taken against the applicant or any person named
5 pursuant to subdivision ~~(7)~~ (12) arising out of occupational
6 or professional conduct and a description of the circumstances
7 submitted by the applicable sanctioning body.

8 ~~"(12)~~ (17) Whether there has been any denial of an
9 application for, suspension or revocation of, or refusal to
10 renew, the registration or licensure of the applicant or any
11 person named pursuant to subdivision ~~(7)~~ (12) as an athlete
12 agent in any state and the reasons for such action submitted
13 by the applicable body.

14 "(18) If an applicant sends in the application to
15 act as an agent for a professional sport without a players'
16 association, he or she shall show proof that the applicant has
17 posted with the commission a twenty-five thousand dollar
18 (\$25,000) surety bond issued by an insurance company
19 authorized to do business in Alabama. The bond shall be in
20 favor of the commission, for the use and benefit of any
21 academic institution within Alabama injured or damaged as a
22 result of acts or omissions by the applicant, including, but
23 not limited to, reasonable costs and attorneys' fees. The bond
24 shall be in effect for all times that the athlete agent has an
25 active license or conducts business as an athlete agent in
26 this or any other state.

1 "(b) To be considered valid on the first day in
2 April, the Office of the Secretary of State by the first day
3 of March. To be considered valid on the first day of August,
4 the Office of the Secretary of State must receive the
5 registration by the first day of July. To be considered valid
6 on the first day of December, the office of Secretary of State
7 must receive the registration by the first day of November.

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

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

23 "(2) It contains information substantially similar
24 to or more comprehensive than that required in an application
25 submitted in this state.

26 "(3) It was signed by the applicant under penalty of
27 perjury.

1 "~~(c)~~ (d) An applicant for registration shall be a
2 citizen of the United States or, if not a citizen of the
3 United States, a person who is legally present in the United
4 States with appropriate documentation from the federal
5 government.

6 "§8-26A-6.

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

13 "(b) The Secretary of State may refuse to issue a
14 certificate of registration if the Secretary of State
15 determines that the applicant has engaged in conduct that has
16 a significant adverse effect on the applicant's fitness to act
17 as an athlete agent.

18 "(c) Any educational institution, at its expense,
19 may conduct a financial or criminal background check on any
20 applicant and once information is obtained, the institution
21 shall share the information with the commission, the
22 institutions represented on the commission, and other
23 entities, as appropriate.

24 "~~(c)~~ (d) In making the determination under
25 subsection (b), the Secretary of State may consider, without
26 limitation, whether the applicant has done any of the
27 following:

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

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

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

9 "(4) Engaged in conduct prohibited by Section
10 8-26A-14.

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

14 "(6) Engaged in conduct that has caused an
15 institution or school to be sanctioned by any entity governing
16 or otherwise regulating intercollegiate, interscholastic, or
17 professional sports.

18 "~~(6)~~ (7) Engaged in conduct the consequence of which
19 was that a sanction, suspension, or declaration of
20 ineligibility to participate in an interscholastic or
21 intercollegiate athletic event was imposed on a
22 student-athlete or educational institution.

23 "~~(7)~~ (8) Engaged in conduct that significantly
24 adversely reflects on the applicant's credibility, honesty, or
25 integrity.

1 "(9) Failed to post a surety bond in favor of the
2 State of Alabama Athlete Agent Commission pursuant to Section
3 8-26A-5(a)(18).

4 "~~(d)~~ (e) In making a determination under subsection
5 (b), the Secretary of State shall consider all of the
6 following:

7 "(1) How recently the conduct occurred.

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

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

11 "~~(e)~~ (f) An athlete agent may apply to renew a
12 registration by submitting an application for renewal in a
13 form prescribed by the Secretary of State. The application for
14 renewal shall be signed by the applicant under penalty of
15 perjury and shall contain current information on all matters
16 required in an original registration.

17 "(g) ~~(f)~~ An individual who has submitted an
18 application for renewal of registration or licensure in
19 another state, in lieu of submitting an application for
20 renewal in the form prescribed pursuant to subsection ~~(e)~~ (f),
21 may file a copy of the application for renewal and a valid
22 certificate of registration or licensure from the other state.
23 The Secretary of State shall accept the application for
24 renewal from the other state as an application for renewal in
25 this state if the applicant is certified with the
26 corresponding professional league players' association and the

1 application to the other state meets all of the following
2 criteria:

3 "(1) It was submitted in the other state within six
4 months next preceding the filing in this state and the
5 applicant certifies the information contained in the
6 application for renewal is current.

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

10 "(3) It was signed by the applicant under penalty of
11 perjury.

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

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

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

25 "(2) The administrative law judge designated to hear
26 the appeal shall proceed to give notice of the hearing under
27 the Administrative Procedure Act. The administrative law judge

1 shall conduct the hearing and provide the commission with
2 proposed findings of fact, conclusions of law, and a
3 recommendation.

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

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

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

15 "§8-26A-9.

16 "An application for registration or renewal of
17 registration shall be accompanied by a fee in the following
18 amount:

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

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

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

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

1 ~~"(4) One hundred dollars (\$100) for an application~~
2 ~~for renewal of registration based upon an application for~~
3 ~~renewal of registration or licensure submitted in another~~
4 ~~state.~~

5 "§8-26A-10.

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

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

10 "(1) The amount and method of calculating the
11 consideration to be paid by the student-athlete for services
12 to be provided by the athlete agent under the contract and any
13 other consideration the athlete agent has received or will
14 receive from any other source for entering into the contract
15 or for providing the services.

16 "(2) The name of any person not listed in the
17 application for registration or renewal of registration who
18 will be compensated because the student-athlete signed the
19 agency contract, and an explanation of services rendered by
20 that person.

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

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

25 "(5) The duration of the contract.

26 "(6) The date of execution.

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

8 "WARNING TO STUDENT-ATHLETE

9 "IF YOU SIGN THIS CONTRACT:

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

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

17 "(3) YOU MAY CANCEL THIS CONTRACT WITHIN 14 DAYS
18 AFTER SIGNING IT. CANCELLATION OF THIS CONTRACT MAY NOT
19 REINSTATE YOUR ELIGIBILITY.

20 "(4) DO NOT SIGN THIS CONTRACT IF IT CONTAINS BLANK
21 SPACES.

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

26 "(d) An agency contract that does not conform to
27 this section is voidable by the student-athlete. If a

1 student-athlete voids an agency contract, the student-athlete
2 is not required to pay any consideration under the contract or
3 to return any consideration received from the athlete agent to
4 induce the student-athlete to enter into the contract.

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

8 "§8-26A-11.

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

19 "(b) Within 72 hours after entering into an agency
20 contract or before the next athletic event in which the
21 student-athlete may participate, whichever occurs first, the
22 student-athlete shall inform the athletic director of the
23 educational institution at which the student-athlete is
24 enrolled and the head coach of the sport at the educational
25 institution in which he or she participates that he or she has
26 entered into an agency contract.

27 "§8-26A-13.

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

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

5 "(2) Any agency contract entered into by the athlete
6 agent.

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

9 "~~(3)~~ (4) A detailed accounting of any direct costs
10 incurred by the athlete agent in the recruitment or
11 solicitation of a student-athlete to enter into an agency
12 contract.

13 "(5) Documentation of all notifications made to
14 athletic directors or head coaches concerning intended contact
15 with student-athletes.

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

19 "§8-26A-14.

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

23 "(1) Give any materially false or misleading
24 information or make a materially false promise or
25 representation.

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

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

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

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

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

13 "(3) Fail to register when required by Section
14 8-26A-4.

15 "(4) Provide materially false or misleading
16 information in an application for registration or renewal of
17 registration.

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

19 "(c) An athlete agent may not fail to notify a
20 student-athlete before the student-athlete signs or otherwise
21 authenticates an agency contract for a particular sport that
22 the signing or authentication will likely ~~may~~ make the
23 student-athlete ineligible to participate as a student-athlete
24 in that sport.

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

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

5 "(2) Fail to give notice to the head coach of the
6 sport in which the student-athlete participates or former
7 student-athlete participated at the academic institution in
8 which he or she is enrolled that he or she has entered into an
9 agency contract.

10 ~~"(2)~~ (3) Accept anything from an athlete agent
11 without first entering into a contract in conformity with this
12 chapter.

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

14 "(1) For compensation, negotiate or advocate with an
15 educational institution on behalf of a student-athlete for
16 enrollment at the educational institution with the expectation
17 that the student-athlete will participate in an
18 intercollegiate sport.

19 "(2) Solicit or receive any thing of value from an
20 educational institution or any other person in return for
21 attempting to influence one or more student-athletes to enroll
22 or otherwise securing their enrollment at that educational
23 institution with the expectation that the student-athlete will
24 participate in an intercollegiate sport, unless the person
25 soliciting or receiving any thing of value is directly
26 employed by the educational institution and the recruiting of
27 student-athletes to participate in intercollegiate sports for

1 that educational institution occurs in the course of their
2 employment.

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

8 "§8-26A-15.

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

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

16 "(c) The commission of any conduct prohibited by an
17 athlete agent in subdivision (1) of subsection (b) of Section
18 8-26A-14 is a Class A misdemeanor.

19 "(d) The commission of any conduct prohibited by a
20 student-athlete in Section 8-26A-14 is a Class A misdemeanor,
21 and in addition to penalties otherwise prescribed by law, an
22 individual having been convicted shall perform a minimum of 70
23 hours of community service.

24 "(e) Intentionally or knowingly filing a false sworn
25 complaint or giving false sworn testimony to any person
26 concerning activities covered by this chapter is a Class C
27 felony.

1 "§8-26A-17.

2 "(a) The Secretary of State, with concurrence of the
3 Attorney General, may assess an administrative penalty against
4 an athlete agent not to exceed twenty-five thousand dollars
5 (\$25,000) for each violation of this chapter.

6 "(b) The assessment of an administrative penalty may
7 be appealed to the commission in accordance with the Alabama
8 Administrative Procedure Act. The following rules apply to an
9 appeal under this subsection.

10 "(1) In the event that proper notice of appeal is
11 given to the Secretary of State, the Secretary of State shall
12 forward the file to the Chief Administrative Law Judge of the
13 Central Panel of Administrative Law Judges in the office of
14 the Attorney General, along with a request that an
15 administrative law judge be assigned to conduct the hearing of
16 the requested appeal.

17 "(2) The administrative law judge designated to hear
18 the appeal shall proceed to give notice of the hearing under
19 the Administrative Procedure Act. The administrative law judge
20 shall conduct the hearing and provide the commission with
21 proposed findings of fact, conclusions of law, and a
22 recommendation.

23 "(3) Upon receipt of the report of the
24 administrative law judge along with the file and record of the
25 appeal, the commission may adopt, alter, or reject the
26 proposed findings of the administrative law judge and issue
27 the final order.

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

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

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

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

20 "(e) An individual's third violation of any section
21 of this chapter shall result in a permanent disassociation
22 from the State of Alabama as an athlete agent. Notification of
23 the individual's ineligibility to serve as an athlete agent in
24 Alabama will be sent to the players' association of any
25 professional league in which the athlete agent represents a
26 player.

27 "§8-26A-30.

1 "(a) The Alabama Athlete Agents Regulatory
2 Commission is continued in existence as the Alabama Athlete
3 Agents Commission. The commission shall consist of the
4 Secretary of State and ~~18~~ 17 members to be appointed as
5 follows:

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

7 "(2) One member appointed by the Lieutenant
8 Governor.

9 "(3) One member appointed by the Speaker of the
10 House of Representatives.

11 "(4) The athletic director or an individual
12 appointed by the athletic director at each of the following
13 institutions of higher education:

14 "a. Auburn University.

15 "b. University of Alabama, Tuscaloosa.

16 "c. University of South Alabama.

17 "d. Alabama State University.

18 "e. Alabama A & M University.

19 "f. Tuskegee University.

20 "g. Troy University.

21 "h. Jacksonville State University.

22 "i. University of North Alabama.

23 "j. University of West Alabama.

24 "k. Miles College.

25 "l. University of Montevallo.

26 "m. University of Alabama, Huntsville.

27 "n. University of Alabama, Birmingham.

1 "o. Birmingham-Southern College.

2 "p. Samford University.

3 "(5) One member appointed by the Alabama High School
4 Athletic Association.

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

20 "(c) Within 15 days after their appointment, the
21 members of the commission shall take an oath before any person
22 lawfully authorized to administer oaths in this state to
23 faithfully and impartially perform their duties as members of
24 the commission, and the same shall be filed with the Secretary
25 of State.

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

1 "(e) The commission shall elect annually a
2 chairperson, a vice chairperson, and a secretary-treasurer
3 from its members.

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

6 "(g) The Secretary of State shall keep records of
7 the proceedings of the commission; and, in any proceeding in
8 court, civil or criminal, arising out of or founded upon any
9 provision of this chapter, copies of those records certified
10 as correct by the Secretary of State shall be admissible in
11 evidence as tending to prove the content of the records.

12 "(h) The Secretary of State shall have printed and
13 published for distribution an annual register which shall
14 contain the names, arranged alphabetically, of all persons
15 registered under this chapter. The Secretary of State shall
16 also provide a quarterly report to the commission of all
17 agents registered during the quarter, any suspension or
18 revocation of registered agents during the quarter, and other
19 disciplinary action taken against an agent.

20 "(i) The Secretary of State may employ personnel and
21 arrange for assistance, service, and supplies as the Secretary
22 of State may require for the performance of the duties of the
23 commission.

24 "(j) The commission may promulgate, and from time to
25 time, amend rules and standards of conduct for athlete agents
26 appropriate for the protection of the residents of the state.
27 At least 35 days prior to the completion of notice of any rule

1 or amendment, the Secretary of State shall mail copies of the
2 proposed rule or amendment to all persons registered under
3 this chapter, with a notice advising them of the completion of
4 notice of the rule or amendment and requesting that they
5 submit advisory comments thereon at least 15 days prior to the
6 completion of notice. Failure to receive by mail a rule,
7 amendment, or notice by all persons registered under this
8 chapter shall not affect the validity of the rule or
9 amendment.

10 "(k) Except for the Secretary of State, each member
11 of the commission, who is not otherwise reimbursed by public
12 funds for services provided to this commission, shall be paid
13 fifty dollars (\$50) for each day the member is actively
14 engaged in the discharge of official duties as a member of the
15 commission, and shall also be entitled to, and shall receive,
16 reimbursement for actual necessary expenses incurred in the
17 discharge of official duties on behalf of the commission.

18 "(l) The Alabama Athlete Agents Commission shall be
19 subject to the Alabama Sunset Law, Chapter 20, Title 41, as an
20 enumerated agency as provided in Section 41-20-3, and shall
21 have a termination date of October 1, 2003, and every four
22 years thereafter, unless continued pursuant to the Alabama
23 Sunset Law."

24 Section 2. Although this bill would have as its
25 purpose or effect the requirement of a new or increased
26 expenditure of local funds, the bill is excluded from further
27 requirements and application under Amendment 621 because the

1 bill defines a new crime or amends the definition of an
2 existing crime.

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