



SPONSOR: Sen. Sokola & Rep. Baumbach & Rep. Michael Smith
Sens. Gay, Mantzavinos, Pettyjohn, Townsend; Reps.
Heffernan, Yearick

DELAWARE STATE SENATE
151st GENERAL ASSEMBLY

SENATE BILL NO. 297

AN ACT TO AMEND TITLE 24 OF THE DELAWARE CODE RELATING TO ATHLETE AGENTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Three-fifths of all members elected to each house thereof concurring therein):

Section 1. Amend Chapter 54, Title 24 of the Delaware Code by deleting Chapter 54 in its entirety and by making deletions as shown by strike through and insertions as shown by underline as follows:

Chapter 54. Delaware Revised Uniform Athlete Agents Act.

§ 5401. Short title.

This chapter may be cited as the Delaware Revised Uniform Athlete Agents Act.

§ 5402. Definitions.

For purposes of this chapter:

(1) "Agency contract" means an agreement in which a student athlete authorizes a person to negotiate or solicit on behalf of the athlete any of the following:

a. A professional-sports-services contract.

b. An endorsement contract.

c. A name, image, or likeness agreement.

(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.

23 B. Manages the business affairs of the athlete by providing assistance with bills, payments,
24 contracts, or taxes.

25 3. In anticipation of representing a student athlete for a purpose related to the athlete's participation
26 in athletics does any of the following:

27 A. Gives consideration to the student athlete or another person.

28 B. Serves the athlete in an advisory capacity on a matter related to finances, business pursuits, or
29 career management decisions.

30 C. Manages the business affairs of the athlete by providing assistance with bills, payments,
31 contracts, or taxes.

32 b. "Athlete agent" does not include an individual who does any of the following:

33 1. Acts solely on behalf of a professional sports team or organization.

34 2. Is a licensed, registered, or certified professional and offers or provides services to a student
35 athlete customarily provided by members of the profession, unless the individual does any of the following:

36 A. Also recruits or solicits the athlete to enter into an agency contract.

37 B. Also, for compensation, procures employment or offers, promises, attempts, or negotiates to
38 obtain employment for the athlete as a professional athlete or member of a professional sports team or
39 organization.

40 C. Receives consideration for providing the services calculated using a different method than for
41 an individual who is not a student athlete.

42 (3) "Athletic director" means the individual responsible for administering the overall athletic program of an
43 educational institution or, if an educational institution has separately administered athletic programs for male students
44 and female students, the athletic program for males or the athletic program for females, as appropriate.

45 (4) "Educational institution" includes a public or private elementary school, secondary school, technical or
46 vocational school, community college, college, and university.

47 (5) "Endorsement contract" means an agreement under which a student athlete is employed or receives
48 consideration to use on behalf of the other party any value that the athlete may have because of publicity, reputation,
49 following, or fame obtained because of athletic ability or performance.

50 (6) "Enrolled" means registered for courses and attending athletic practice or class. "Enrolls" has a
51 corresponding meaning.

(7) “Intercollegiate sport” means a sport played at the collegiate level for which eligibility requirements for participation by a student athlete are established by a national association that promotes or regulates collegiate athletics.

(8) “Interscholastic sport” means a sport played between educational institutions that are not community colleges, colleges, or universities.

(9) “Licensed, registered, 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 state or a nationally recognized organization that licenses, registers, or certifies members of the profession on the basis of experience, education, or testing.

(10) “Name, image, or likeness” includes a symbol, word, name, or design that readily identifies a student athlete.

(11) “Name, image, or likeness agreement” means an express or implied agreement, oral or in a record, under which a third party provides name, image, or likeness compensation.

(12) “Name, image, or likeness compensation” means money or other thing of value provided by a third party in exchange for use of a student athlete’s name, image, or likeness.

(13) “Person” means an individual; estate; business or nonprofit entity; public corporation; government or governmental subdivision, agency, or instrumentality; or other legal entity.

(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:

82 a. To execute or adopt a tangible symbol.

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

84 (20) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin
85 Islands, or any territory or insular possession subject to the jurisdiction of the United States.

86 (21) "Student athlete" means an individual who is eligible to attend an educational institution and engages in,
87 is eligible to engage in, or may be eligible in the future to engage in, any interscholastic or intercollegiate sport.
88 "Student athlete" does not include an individual permanently ineligible to participate in a particular interscholastic or
89 intercollegiate sport for that sport.

90 § 5403. Secretary's authority; procedure.

91 (a) The Administrative Procedures Act, Chapter 101 of Title 29, applies to this chapter. The Secretary may adopt
92 rules and regulations under the Administrative Procedures Act to implement this chapter.

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

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

96 § 5404. Athlete agent; registration required; void contract.

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

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

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

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

105 (c) An agency contract resulting from conduct in violation of this section is void, and the athlete agent shall return
106 any consideration received under the contract.

107 § 5405. Registration as athlete agent; application; requirements; reciprocal registration.

108 (a) An applicant for registration as an athlete agent shall submit an application for registration to the Secretary in a
109 form prescribed by the Secretary. The applicant must be an individual, and the application must be signed by the applicant
110 under penalty of perjury. The application must contain at least the following:

(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.

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

142 a. The crime.

143 b. The law-enforcement agency involved.

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

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

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

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

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

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

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

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

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

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

168 a. The name of the league or association.

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.

§ 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 § 5405(a) of this title.

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

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) Plead 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 § 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 § 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.

(f) A record of registration or renewal of a record of registration under this chapter is valid for 2 years.

§ 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 § 5406(a) of this title for conduct that would have justified refusal to grant a record of registration under § 5406(b) of this title.

(b) The Secretary may suspend or revoke a registration of an individual registered under § 5405(c) of this title or renewed under § 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 § 5406(b) of this title.

§ 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.

§ 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.

§ 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.

258 (4) A description of any expenses the athlete agrees to reimburse.

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

260 (6) The duration of the contract.

261 (7) The date of execution.

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

264 WARNING TO STUDENT ATHLETE
265 IF YOU SIGN THIS CONTRACT:

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

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

273 (3) YOU MAY CANCEL THIS CONTRACT WITHIN 14 DAYS AFTER SIGNING IT. CANCELLATION
274 OF THIS CONTRACT MAY NOT REINSTATE YOUR ELIGIBILITY AS A STUDENT ATHLETE IN YOUR
275 SPORT.

276 (d) An agency contract must be accompanied by a separate record signed by the student athlete or, if the athlete is
277 a minor, the parent or guardian of the athlete acknowledging that signing the contract may result in the loss of the athlete's
278 eligibility to participate in the athlete's sport.

279 (e) A student athlete or, if the athlete is a minor, the parent or guardian of the athlete may void an agency contract
280 that does not conform to this section. If the contract is voided, any consideration received from the athlete agent under the
281 contract to induce entering into the contract is not required to be returned.

282 (f) At the time an agency contract is executed, the athlete agent shall give the student athlete or, if the athlete is a
283 minor, the parent or guardian of the athlete a copy in a record of the contract and the separate acknowledgement required by
284 subsection (d) of this section.

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

(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.

§ 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.

(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.

§ 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.

§ 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.

§ 5414. Prohibited conduct.

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

344 (1) Give a student athlete or, if the athlete is a minor, a parent or guardian of the athlete materially false or
345 misleading information or make a materially false promise or representation with the intent to influence the athlete,
346 parent, or guardian to enter into an agency contract.

347 (2) Furnish anything of value to a student athlete or another individual, if to do so may result in loss of the
348 athlete's eligibility to participate in the athlete's sport, unless all of the following applies:

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

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

355 (3) Initiate contact, directly or indirectly, with a student athlete or, if the athlete is a minor, a parent or
356 guardian of the athlete, to recruit or solicit the athlete, parent, or guardian to enter an agency contract unless registered
357 under this chapter.

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

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

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

362 (7) Predate or postdate an agency contract.

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

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

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

370 § 5415. Criminal penalty.

371 (a) An athlete agent who violates § 5414 of this title is guilty of a class A misdemeanor. A first conviction of a
372 violation of § 5414 of this title is punishable by a fine of not less than \$500 nor more than \$1,000 and imprisonment for not

more than 1 year. A second or subsequent conviction of a violation of § 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 § 5414 of this title.

§ 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.

§ 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.

§ 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.

§ 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. § 7001 et seq., but does not modify, limit, or supersede Section 101(c) of that act, 15 U.S.C. § 7001(c), or authorize electronic delivery of any of the notices described in Section 103 (b) of that act, 15 U.S.C. § 7003(b).

Section 2. This Act takes effect on January 1, 2023.

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.

Author: Senator Sokola