



SPONSOR: Rep. Longhurst

HOUSE OF REPRESENTATIVES
150th GENERAL ASSEMBLY

HOUSE AMENDMENT NO. 1
TO
HOUSE BILL NO. 180

AMEND House Bill No. 180 on line 51 by striking “A” as it appears therein and inserting in lieu thereof “Each”.

FURTHER AMEND House Bill No. 180 by striking lines 58 and 59 in their entirety and inserting in lieu thereof the following:

“(4) Does not require the professional athlete to pay more than 15% of the professional athlete’s future income or earnings exclusively, however the professional athlete has the opportunity to choose to receive less of an investment in exchange for a lower percentage of the athlete’s future income or earning.”

FURTHER AMEND House Bill No. 180 by striking lines 60-61 in their entirety and substituting the following in lieu thereof:

“(5) Does not require the professional athlete to share future income or earnings earned beyond the professional athlete’s professional career.”

FURTHER AMEND House Bill No. 180 by inserting the following after line 73 and before line 74 and redesignating accordingly:

“(2) The professional athlete has the opportunity to choose a lower percentage of investment in exchange for a lower percentage of the professional athlete’s future income and earnings.”

FURTHER AMEND House Bill No. 180 by inserting after line 82 and before line 83 the following:

“(7) Does not prohibit the professional athlete from disclosing the existence or terms of the player brand agreement, or the player brand agreement itself, to the professional athlete’s agents, attorneys, financial advisors, union, or professional sports league or association.

(8) Preserves the right of the professional athletes to bring disputes which arise out of the player brand agreement either through arbitration or in a court of law, and clearly identifies all of the following:

a. That the arbitrator used must be either of the following:

1. A person named in or selected under an agreement.

2. A member in good standing of the Bar of the Supreme Court of this State for at least 10 years.

24 b. The jurisdiction of the court of law that will preside over such disputes.”

25 FURTHER AMEND House Bill No. 180 by striking lines 86-87 in their entirety and inserting in lieu thereof the
26 following:

27 “(b) In addition to any penalties provided elsewhere in this Code, an investor who violates any provisions of this
28 Chapter shall, in addition to all costs of investigation, be subject to a civil penalty of not more than \$5,000 per violation.”

29 FURTHER AMEND House Bill No. 180 by inserting the following after line 90:

30 “(d) Nothing in this Chapter shall be or interpreted as a waiver of any rights that may exist by statute or at
31 common law, including recognized contract defenses.”

SYNOPSIS

This amendment makes 5 changes to the original bill. First, it changes the percentage of the professional athlete's future income or earnings permitted under each player brand agreement from 30% to 15%. However, the professional athlete may choose to receive less of an investment in exchange for a lower percentage of his future income or earnings. Second, it provides that the player brand agreement cannot require the professional athlete to share future income or earnings earned beyond the athlete's professional career instead of 30 years. Third, it adds that player brand agreements cannot prohibit a professional athlete from disclosing the existence or terms of the agreement to the athlete's agents, attorneys, financial advisors or sports league. Fourth, it preserves the athlete's right to bring disputes that arise under a player brand agreement either through arbitration or a court of law. The agreement must also clearly identify that any arbitrator used must be named or selected in the agreement or be a member of the Delaware bar for at least 10 years. In addition, the agreement must identify the jurisdiction of the court of law that would preside over such disputes. Fifth, this amendment changes the civil penalty for a violation of the provisions of the chapter from up to \$1,000 to up to \$5,000. Finally, this amendment makes clear that that nothing in the chapter should be interpreted as a waiver of any rights, including the right to raise recognized contract defenses.