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By: **Delegate Rosenberg**  
Introduced and read first time: February 3, 2003  
Assigned to: Economic Matters

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 20, 2003

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CHAPTER 421

1 AN ACT concerning

2 **Maryland Uniform Athlete Agents Act**

3 FOR the purpose of adopting the Maryland Uniform Athlete Agents Act; establishing  
4 a method for the service of process for certain individuals under certain  
5 circumstances; establishing a method for the issuance of subpoenas under  
6 certain circumstances; prohibiting an individual from acting as an athlete agent  
7 under certain circumstances; establishing a method of licensure as an athlete  
8 agent for certain individuals; specifying information to be included in an  
9 application for licensure as an athlete agent; establishing an alternate method  
10 of licensure as an athlete agent for certain individuals; providing for the  
11 issuance of a license to certain individuals; providing for the denial of a license  
12 to certain individuals; establishing a procedure for the denial of a license to  
13 certain individuals under certain circumstances; providing for the renewal of a  
14 license; establishing an alternate method of renewal for certain individuals  
15 under certain circumstances; authorizing the suspension, revocation, or refusal  
16 to renew a license under certain circumstances; authorizing the imposition of a  
17 certain penalty against certain individuals under certain circumstances;  
18 establishing an opportunity for notice and a hearing under certain  
19 circumstances; providing for the administration of oaths under certain  
20 circumstances; providing for the disposition of fees; requiring the Secretary of  
21 Labor, Licensing, and Regulation to adopt regulations to carry out this Act;  
22 requiring certain information to be included in an agency contract; authorizing  
23 the voiding of an agency contract under certain circumstances; establishing a  
24 time period in which notice of an agency contract must be given to certain  
25 individuals under certain circumstances; allowing the cancellation of an agency  
26 contract under certain circumstances; requiring that certain records be  
27 maintained by certain individuals for a certain amount of time; providing for the  
28 inspection of certain records at certain times; prohibiting certain conduct;

1 providing for a criminal penalty; providing for an administrative penalty;  
2 establishing a right of action for certain individuals under certain  
3 circumstances; providing for the application and construction of this Act;  
4 providing for the severability of this Act under certain circumstances; defining  
5 certain terms; repealing certain provisions relating to the licensing of sports  
6 agents; and generally relating to the Maryland Uniform Athlete Agents Act.

7 BY repealing  
8 Article - Business Regulation  
9 Section 4-401 through 4-426, inclusive, and the subtitle "Subtitle 4. Sports  
10 Agents"  
11 Annotated Code of Maryland  
12 (1998 Replacement Volume and 2002 Supplement)

13 BY adding to  
14 Article - Business Regulation  
15 Section 4-401 through ~~4-426~~ 4-421, inclusive, to be under the new subtitle  
16 "Subtitle 4. Maryland Uniform Athlete Agents Act"  
17 Annotated Code of Maryland  
18 (1998 Replacement Volume and 2002 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
20 MARYLAND, That Section(s) 4-401 through 4-426, inclusive, and the subtitle  
21 "Subtitle 4. Sports Agents" of Article - Business Regulation of the Annotated Code of  
22 Maryland be repealed.

23 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
24 read as follows:

25 **Article - Business Regulation**

26 **SUBTITLE 4. MARYLAND UNIFORM ATHLETE AGENTS ACT.**

27 4-401.

28 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
29 INDICATED.

30 (B) "AGENCY CONTRACT" MEANS AN AGREEMENT IN WHICH A  
31 STUDENT-ATHLETE AUTHORIZES A PERSON TO NEGOTIATE OR SOLICIT ON BEHALF  
32 OF THE STUDENT-ATHLETE A PROFESSIONAL-SPORTS-SERVICES CONTRACT OR AN  
33 ENDORSEMENT CONTRACT.

34 (C) (1) "ATHLETE AGENT" MEANS AN INDIVIDUAL WHO ENTERS INTO AN  
35 AGENCY CONTRACT WITH A STUDENT-ATHLETE OR, DIRECTLY OR INDIRECTLY,  
36 RECRUITS OR SOLICITS A STUDENT-ATHLETE TO ENTER INTO AN AGENCY  
37 CONTRACT.

1           (2)     "ATHLETE AGENT" INCLUDES AN INDIVIDUAL WHO REPRESENTS TO  
2 THE PUBLIC THAT THE INDIVIDUAL IS AN ATHLETE AGENT.

3           (3)     "ATHLETE AGENT" DOES NOT INCLUDE A SPOUSE, PARENT, SIBLING,  
4 GRANDPARENT, OR GUARDIAN OF THE STUDENT-ATHLETE, OR AN INDIVIDUAL  
5 ACTING SOLELY ON BEHALF OF A PROFESSIONAL SPORTS TEAM OR PROFESSIONAL  
6 SPORTS ORGANIZATION.

7           (D)     "ATHLETIC DIRECTOR" MEANS AN INDIVIDUAL RESPONSIBLE FOR  
8 ADMINISTERING:

9           (1)     THE OVERALL ATHLETIC PROGRAM OF AN EDUCATIONAL  
10 INSTITUTION; OR

11          (2)     THE ATHLETIC PROGRAM FOR MALES OR THE ATHLETIC PROGRAM  
12 FOR FEMALES IF AN EDUCATIONAL INSTITUTION HAS SEPARATELY ADMINISTERED  
13 ATHLETIC PROGRAMS FOR MALE STUDENTS AND FEMALE STUDENTS, AS  
14 APPROPRIATE.

15          (E)     "CONTACT" MEANS A COMMUNICATION, DIRECT OR INDIRECT, BETWEEN  
16 AN ATHLETE AGENT AND A STUDENT-ATHLETE TO RECRUIT OR SOLICIT THE  
17 STUDENT-ATHLETE TO ENTER INTO AN AGENCY CONTRACT.

18          (F)     "ENDORSEMENT CONTRACT" MEANS AN AGREEMENT UNDER WHICH A  
19 STUDENT-ATHLETE IS EMPLOYED OR RECEIVES CONSIDERATION TO USE ON  
20 BEHALF OF ANOTHER PARTY FOR ANY VALUE THAT THE STUDENT-ATHLETE MAY  
21 HAVE DUE TO PUBLICITY, REPUTATION, FOLLOWING, OR FAME OBTAINED DUE TO  
22 ATHLETIC ABILITY OR PERFORMANCE.

23          (G)     "INTERCOLLEGIATE SPORT" MEANS A SPORT PLAYED AT THE COLLEGIATE  
24 LEVEL FOR WHICH ELIGIBILITY REQUIREMENTS OF A STUDENT-ATHLETE ARE  
25 ESTABLISHED BY A NATIONAL ASSOCIATION FOR THE PROMOTION OR REGULATION  
26 OF COLLEGIATE ATHLETICS.

27          (H)     "LICENSE" MEANS A LICENSE ISSUED BY THE SECRETARY TO ACT AS AN  
28 ATHLETE AGENT.

29          (I)     "PERSON" MEANS AN INDIVIDUAL, CORPORATION, BUSINESS TRUST,  
30 ESTATE, TRUST, PARTNERSHIP, LIMITED LIABILITY COMPANY, ASSOCIATION, JOINT  
31 VENTURE, GOVERNMENTAL AGENCY OR INSTRUMENTALITY, PUBLIC CORPORATION,  
32 OR ANY OTHER LEGAL OR COMMERCIAL ENTITY.

33          (J)     "PROFESSIONAL-SPORTS-SERVICES CONTRACT" MEANS AN AGREEMENT  
34 UNDER WHICH AN INDIVIDUAL IS EMPLOYED OR AGREES TO RENDER SERVICES AS A  
35 PLAYER ON A PROFESSIONAL SPORTS TEAM WITH A PROFESSIONAL SPORTS  
36 ORGANIZATION OR AS A PROFESSIONAL ATHLETE.

37          (K)     "RECORD" MEANS INFORMATION THAT IS INSCRIBED ON A TANGIBLE  
38 MEDIUM OR THAT IS STORED IN AN ELECTRONIC OR OTHER MEDIUM AND IS  
39 RETRIEVABLE IN PERCEIVABLE FORM.

1 (L) "STATE" MEANS A STATE OF THE UNITED STATES, THE DISTRICT OF  
2 COLUMBIA, PUERTO RICO, THE UNITED STATES VIRGIN ISLANDS, OR ANY TERRITORY  
3 OR INSULAR POSSESSION SUBJECT TO THE JURISDICTION OF THE UNITED STATES.

4 (M) (1) "STUDENT-ATHLETE" MEANS AN INDIVIDUAL WHO ENGAGES IN, IS  
5 ELIGIBLE TO ENGAGE IN, OR MAY BE ELIGIBLE IN THE FUTURE TO ENGAGE IN, ANY  
6 INTERCOLLEGIATE SPORT.

7 (2) "STUDENT-ATHLETE" INCLUDES AN INDIVIDUAL WHO IS OR WAS A  
8 MEMBER OF A SPORTS TEAM OF A HIGH SCHOOL.

9 (3) "STUDENT-ATHLETE" DOES NOT INCLUDE AN INDIVIDUAL  
10 PERMANENTLY INELIGIBLE TO PARTICIPATE IN A PARTICULAR SPORT.

11 4-402.

12 (A) BY ACTING AS AN ATHLETE AGENT IN THE STATE, A NONRESIDENT  
13 INDIVIDUAL APPOINTS THE SECRETARY AS THE INDIVIDUAL'S AGENT FOR SERVICE  
14 OF PROCESS IN ANY CIVIL ACTION IN THE STATE RELATED TO THE INDIVIDUAL'S  
15 ACTING AS AN ATHLETE AGENT IN THE STATE.

16 (B) THE SECRETARY MAY ISSUE SUBPOENAS FOR ANY MATERIAL THAT IS  
17 RELEVANT TO THE ADMINISTRATION OF THIS SUBTITLE.

18 4-403.

19 (A) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (B) OF THIS SECTION,  
20 AN INDIVIDUAL MAY NOT ACT AS AN ATHLETE AGENT IN THE STATE WITHOUT  
21 HOLDING A LICENSE UNDER § 4-405 OF THIS SUBTITLE.

22 (B) BEFORE BEING ISSUED A LICENSE, AN INDIVIDUAL MAY ACT AS AN  
23 ATHLETE AGENT IN THE STATE FOR ALL PURPOSES EXCEPT SIGNING AN AGENCY  
24 CONTRACT IF:

25 (1) A STUDENT-ATHLETE OR ANOTHER PERSON ACTING ON BEHALF OF  
26 THE STUDENT-ATHLETE INITIATES COMMUNICATION WITH THE INDIVIDUAL; AND

27 (2) WITHIN 7 DAYS AFTER AN INITIAL ACT AS AN ATHLETE AGENT, THE  
28 INDIVIDUAL SUBMITS AN APPLICATION FOR A LICENSE AS AN ATHLETE AGENT IN  
29 THE STATE.

30 (C) AN AGENCY CONTRACT RESULTING FROM CONDUCT IN VIOLATION OF  
31 THIS SECTION IS VOID AND THE ATHLETE AGENT SHALL RETURN ANY  
32 CONSIDERATION RECEIVED UNDER THE CONTRACT.

33 4-404.

34 (A) AN APPLICANT FOR A LICENSE SHALL:

35 (1) SUBMIT TO THE SECRETARY AN APPLICATION ON THE FORM THE  
36 SECRETARY REQUIRES; AND

1 (2) PAY TO THE SECRETARY A \$25 APPLICATION FEE.

2 (B) IN ADDITION TO ANY OTHER INFORMATION REQUIRED ON THE  
3 APPLICATION, THE APPLICATION MUST BE IN THE NAME OF AN INDIVIDUAL AND,  
4 EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (D) OF THIS SECTION, SIGNED OR  
5 OTHERWISE AUTHENTICATED BY THE APPLICANT UNDER PENALTY OF PERJURY  
6 AND STATE OR CONTAIN:

7 (1) THE NAME OF THE APPLICANT AND THE ADDRESS OF THE  
8 APPLICANT'S PRINCIPAL PLACE OF BUSINESS;

9 (2) THE NAME OF THE APPLICANT'S BUSINESS OR EMPLOYER, IF  
10 APPLICABLE;

11 (3) ANY BUSINESS OR OCCUPATION ENGAGED IN BY THE APPLICANT  
12 FOR 5 YEARS BEFORE THE DATE OF THE APPLICATION;

13 (4) A DESCRIPTION OF THE APPLICANT'S:

14 (I) FORMAL TRAINING AS AN ATHLETE AGENT;

15 (II) PRACTICAL EXPERIENCE AS AN ATHLETE AGENT; AND

16 (III) EDUCATIONAL BACKGROUND RELATING TO THE APPLICANT'S  
17 ACTIVITIES AS AN ATHLETE AGENT;

18 (5) THE NAMES AND ADDRESSES OF THREE INDIVIDUALS NOT RELATED  
19 TO THE APPLICANT WHO ARE WILLING TO SERVE AS REFERENCES;

20 (6) THE NAME, SPORT, AND LAST KNOWN TEAM FOR EACH INDIVIDUAL  
21 FOR WHOM THE APPLICANT ACTED AS AN ATHLETE AGENT DURING THE 5 YEARS  
22 BEFORE THE DATE OF THE APPLICATION;

23 (7) THE NAMES AND ADDRESSES OF ALL PERSONS WHO ARE:

24 (I) WITH RESPECT TO THE ATHLETE AGENT'S BUSINESS IF IT IS  
25 NOT A CORPORATION, THE PARTNERS, MEMBERS, OFFICERS, MANAGERS,  
26 ASSOCIATES, OR PROFIT SHARERS OF THE BUSINESS; AND

27 (II) WITH RESPECT TO A CORPORATION EMPLOYING THE ATHLETE  
28 AGENT, THE OFFICER'S DIRECTORS, AND ANY SHAREHOLDER OF THE CORPORATION  
29 HAVING AN INTEREST OF 5% OR GREATER;

30 (8) WHETHER THE APPLICANT OR ANY PERSON NAMED IN ACCORDANCE  
31 WITH ITEM (7) OF THIS SUBSECTION HAS BEEN CONVICTED OF A CRIME THAT, IF  
32 COMMITTED IN THE STATE, WOULD BE A CRIME INVOLVING MORAL TURPITUDE OR A  
33 FELONY, AND IDENTIFY THE CRIME;

34 (9) WHETHER THERE HAS BEEN ANY ADMINISTRATIVE OR JUDICIAL  
35 DETERMINATION THAT THE APPLICANT OR ANY PERSON NAMED IN ACCORDANCE

1 WITH ITEM (7) OF THIS SUBSECTION HAS MADE A FALSE, MISLEADING, DECEPTIVE,  
2 OR FRAUDULENT REPRESENTATION;

3 (10) ANY INSTANCE IN WHICH THE CONDUCT OF THE APPLICANT OR ANY  
4 PERSON NAMED IN ACCORDANCE WITH ITEM (7) OF THIS SUBSECTION RESULTED IN  
5 THE IMPOSITION OF A SANCTION, SUSPENSION, OR DECLARATION OF INELIGIBILITY  
6 TO PARTICIPATE IN AN INTERSCHOLASTIC OR INTERCOLLEGIATE ATHLETIC EVENT  
7 ON A STUDENT-ATHLETE OR EDUCATIONAL INSTITUTION;

8 (11) ANY SANCTION, SUSPENSION, OR DISCIPLINARY ACTION TAKEN  
9 AGAINST THE APPLICANT OR ANY PERSON NAMED IN ACCORDANCE WITH ITEM (7) OF  
10 THIS SUBSECTION ARISING OUT OF OCCUPATIONAL OR PROFESSIONAL  
11 MISCONDUCT; AND

12 (12) WHETHER THERE HAS BEEN ANY DENIAL OF AN APPLICATION FOR,  
13 SUSPENSION OR REVOCATION OF, OR REFUSAL TO RENEW THE REGISTRATION OR  
14 LICENSURE OF THE APPLICANT OR ANY PERSON NAMED IN ACCORDANCE WITH ITEM  
15 (7) OF THIS SUBSECTION AS AN ATHLETE AGENT IN ANY STATE.

16 (C) NOTWITHSTANDING SUBSECTION (B)(7) OF THIS SECTION, AN APPLICANT  
17 WHO IS A MEMBER OF THE BAR OF THE COURT OF APPEALS OF MARYLAND NEED NOT  
18 PROVIDE THE NAME AND ADDRESS OF A PERSON WHO IS A PARTNER, MEMBER,  
19 ASSOCIATE, OR PROFIT SHARER IN A LAW FIRM OR PROFESSIONAL CORPORATION.

20 (D) (1) AN INDIVIDUAL WHO HAS SUBMITTED AN APPLICATION FOR, AND  
21 HOLDS A CERTIFICATE OF REGISTRATION OR LICENSURE AS AN ATHLETE AGENT IN  
22 ANOTHER STATE, MAY SUBMIT A COPY OF THE APPLICATION AND CERTIFICATE IN  
23 LIEU OF SUBMITTING AN APPLICATION IN THE FORM REQUIRED UNDER  
24 SUBSECTION (B) OF THIS SECTION.

25 (2) THE SECRETARY SHALL ACCEPT THE APPLICATION AND THE  
26 CERTIFICATE FROM THE OTHER STATE AS AN APPLICATION FOR A LICENSE IN THE  
27 STATE IF THE APPLICATION TO THE OTHER STATE:

28 (I) WAS SUBMITTED IN THE OTHER STATE 6 MONTHS BEFORE THE  
29 SUBMISSION OF THE APPLICATION IN THE STATE AND THE APPLICANT CERTIFIES  
30 THAT THE INFORMATION CONTAINED IN THE APPLICATION IS CURRENT;

31 (II) CONTAINS INFORMATION SUBSTANTIALLY SIMILAR TO OR  
32 MORE COMPREHENSIVE THAN THAT REQUIRED IN AN APPLICATION SUBMITTED IN  
33 THE STATE; AND

34 (III) WAS SIGNED BY THE APPLICANT UNDER PENALTY OF PERJURY.  
35 4-405.

36 (A) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (B) OF THIS SECTION,  
37 THE SECRETARY SHALL ISSUE A LICENSE TO AN INDIVIDUAL WHO:

1 (1) COMPLIES WITH § 4-404(A) OF THIS SUBTITLE OR WHOSE  
2 APPLICATION HAS BEEN ACCEPTED UNDER § 4-404(D) OF THIS SUBTITLE; AND

3 (2) PAYS TO THE SECRETARY A \$1,000 LICENSE FEE.

4 (B) (1) SUBJECT TO THE HEARING PROVISIONS OF § 4-407 OF THIS  
5 SUBTITLE, THE SECRETARY MAY DENY A LICENSE IF THE SECRETARY DETERMINES  
6 THAT THE APPLICANT HAS ENGAGED IN CONDUCT THAT HAS A SIGNIFICANT  
7 ADVERSE EFFECT ON THE APPLICANT'S FITNESS TO ACT AS AN ATHLETE AGENT.

8 (2) IN MAKING THE DETERMINATION UNDER PARAGRAPH (1) OF THIS  
9 SUBSECTION, THE SECRETARY MAY CONSIDER WHETHER THE APPLICANT HAS:

10 (I) BEEN CONVICTED OF A CRIME THAT, IF COMMITTED IN THE  
11 STATE, WOULD BE A CRIME INVOLVING MORAL TURPITUDE OR A FELONY;

12 (II) MADE A MATERIALLY FALSE, MISLEADING, DECEPTIVE, OR  
13 FRAUDULENT REPRESENTATION IN THE APPLICATION OR AS AN ATHLETE AGENT;

14 (III) ENGAGED IN CONDUCT THAT WOULD DISQUALIFY THE  
15 APPLICANT FROM SERVING IN A FIDUCIARY CAPACITY;

16 (IV) ENGAGED IN CONDUCT PROHIBITED BY § 4-413 OF THIS  
17 SUBTITLE;

18 (V) HAD A REGISTRATION OR LICENSURE AS AN ATHLETE AGENT  
19 SUSPENDED, REVOKED, OR DENIED OR BEEN REFUSED RENEWAL OF REGISTRATION  
20 OR LICENSURE AS AN ATHLETE AGENT IN ANY STATE;

21 (VI) ENGAGED IN CONDUCT THE CONSEQUENCE OF WHICH WAS  
22 THAT A SANCTION, SUSPENSION, OR DECLARATION OF INELIGIBILITY TO  
23 PARTICIPATE IN AN INTERSCHOLASTIC OR INTERCOLLEGIATE ATHLETIC EVENT WAS  
24 IMPOSED ON A STUDENT-ATHLETE OR EDUCATIONAL INSTITUTION;

25 (VII) ENGAGED IN CONDUCT THAT SIGNIFICANTLY ADVERSELY  
26 REFLECTS ON THE APPLICANT'S CREDIBILITY, HONESTY, OR INTEGRITY; OR

27 (VIII) FAILED TO DEMONSTRATE FINANCIAL STABILITY.

28 (C) IN MAKING A DETERMINATION UNDER SUBSECTION (B) OF THIS SECTION,  
29 THE SECRETARY SHALL CONSIDER:

30 (1) HOW RECENTLY THE CONDUCT OCCURRED;

31 (2) THE NATURE OF THE CONDUCT AND THE CONTEXT IN WHICH IT  
32 OCCURRED; AND

33 (3) ANY OTHER RELEVANT CONDUCT OF THE APPLICANT.

34 (D) (1) AN ATHLETE AGENT MAY APPLY TO RENEW A LICENSE BY:

1 (I) SUBMITTING AN APPLICATION FOR RENEWAL IN A FORM  
2 REQUIRED BY THE SECRETARY; AND

3 (II) PAYING TO THE SECRETARY A \$1,000 RENEWAL FEE.

4 (2) THE APPLICATION FOR RENEWAL MUST BE SIGNED BY THE  
5 APPLICANT UNDER PENALTY OF PERJURY AND MUST CONTAIN CURRENT  
6 INFORMATION ON ALL MATTERS REQUIRED IN AN ORIGINAL APPLICATION FOR A  
7 LICENSE.

8 (E) (1) AN INDIVIDUAL WHO HAS SUBMITTED AN APPLICATION FOR  
9 RENEWAL OF REGISTRATION OR LICENSURE IN ANOTHER STATE, IN LIEU OF  
10 SUBMITTING AN APPLICATION FOR RENEWAL IN THE FORM REQUIRED UNDER  
11 SUBSECTION (D) OF THIS SECTION, MAY FILE A COPY OF THE APPLICATION FOR  
12 RENEWAL AND A VALID CERTIFICATE OF REGISTRATION OR LICENSURE FROM THE  
13 OTHER STATE.

14 (2) THE SECRETARY SHALL ACCEPT THE APPLICATION FOR RENEWAL  
15 FROM THE OTHER STATE AS AN APPLICATION FOR RENEWAL IN THE STATE IF THE  
16 APPLICATION FOR THE OTHER STATE:

17 (I) WAS SUBMITTED IN THE OTHER STATE WITHIN 6 MONTHS  
18 BEFORE THE FILING IN THE STATE AND THE APPLICANT CERTIFIES THE  
19 INFORMATION CONTAINED IN THE APPLICATION FOR RENEWAL IS CURRENT;

20 (II) CONTAINS INFORMATION SUBSTANTIALLY SIMILAR TO OR  
21 MORE COMPREHENSIVE THAN THAT REQUIRED IN AN APPLICATION FOR RENEWAL  
22 SUBMITTED IN THE STATE; AND

23 (III) WAS SIGNED BY THE APPLICANT UNDER PENALTY OF PERJURY.

24 (F) A LICENSE OR A RENEWAL IS VALID FOR 2 YEARS.

25 4-406.

26 (A) SUBJECT TO THE HEARING PROVISIONS OF § 4-407 OF THIS SUBTITLE, THE  
27 SECRETARY MAY REPRIMAND A LICENSEE, SUSPEND, OR REVOKE A LICENSE FOR  
28 CONDUCT THAT WOULD HAVE JUSTIFIED DENIAL OF A LICENSE UNDER § 4-405(B) OF  
29 THIS SUBTITLE.

30 (B) (1) INSTEAD OF OR IN ADDITION TO REPRIMANDING THE LICENSEE OR  
31 SUSPENDING OR REVOKING A LICENSE UNDER SUBSECTION (A) OF THIS SECTION,  
32 THE SECRETARY MAY ASSESS A CIVIL PENALTY UNDER § 4-416 OF THIS SUBTITLE.

33 (2) THE SECRETARY SHALL PAY ANY PENALTY COLLECTED UNDER THIS  
34 SUBSECTION INTO THE GENERAL FUND OF THE STATE.

1 4-407.

2 (A) EXCEPT AS PROVIDED IN § 10-226 OF THE STATE GOVERNMENT ARTICLE,  
3 BEFORE THE SECRETARY TAKES ANY FINAL ACTION UNDER § 4-405(B), § 4-406, § 4-416  
4 OF THIS SUBTITLE, THE SECRETARY SHALL GIVE THE PERSON AGAINST WHOM THE  
5 ACTION IS CONTEMPLATED AN OPPORTUNITY FOR A HEARING BEFORE THE  
6 SECRETARY.

7 (B) THE SECRETARY SHALL GIVE NOTICE AND HOLD THE HEARING IN  
8 ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

9 (C) THE SECRETARY MAY ADMINISTER OATHS IN A PROCEEDING UNDER THIS  
10 SECTION.

11 (D) IF, AFTER DUE NOTICE, THE PERSON AGAINST WHOM THE ACTION IS  
12 CONTEMPLATED DOES NOT APPEAR, THE SECRETARY MAY HEAR AND DETERMINE  
13 THE MATTER.

14 4-408.

15 THE SECRETARY SHALL PAY ALL MONEYS COLLECTED UNDER THIS SUBTITLE  
16 INTO THE GENERAL FUND OF THE STATE.

17 4-409.

18 (A) AN AGENCY CONTRACT MUST BE IN A RECORD SIGNED OR OTHERWISE  
19 AUTHENTICATED BY THE PARTIES.

20 (B) AN AGENCY CONTRACT MUST STATE OR CONTAIN:

21 (1) THE AMOUNT AND METHOD OF CALCULATING THE CONSIDERATION  
22 TO BE PAID BY THE STUDENT-ATHLETE FOR SERVICES TO BE PROVIDED BY THE  
23 ATHLETE AGENT UNDER THE CONTRACT AND ANY OTHER CONSIDERATION THE  
24 ATHLETE AGENT HAS RECEIVED OR WILL RECEIVE FROM ANY OTHER SOURCE FOR  
25 ENTERING INTO THE CONTRACT OR FOR PROVIDING THE SERVICES;

26 (2) THE NAME OF ANY PERSON NOT LISTED IN THE APPLICATION FOR A  
27 LICENSE OR RENEWAL OF A LICENSE WHO WILL BE COMPENSATED BECAUSE THE  
28 STUDENT-ATHLETE SIGNED THE AGENCY CONTRACT;

29 (3) A DESCRIPTION OF ANY EXPENSES THAT THE STUDENT-ATHLETE  
30 AGREES TO REIMBURSE;

31 (4) A DESCRIPTION OF THE SERVICES TO BE PROVIDED TO THE  
32 STUDENT-ATHLETE;

33 (5) THE DURATION OF THE CONTRACT; AND

34 (6) THE DATE OF EXECUTION.

1 (C) AN AGENCY CONTRACT MUST CONTAIN, IN CLOSE PROXIMITY TO THE  
2 SIGNATURE OF THE STUDENT-ATHLETE, A CONSPICUOUS NOTICE IN BOLDFACE  
3 TYPE IN CAPITAL LETTERS STATING:

4 "WARNING TO STUDENT-ATHLETE

5 IF YOU SIGN THIS CONTRACT:

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

8 (2) IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN 72 HOURS AFTER  
9 ENTERING INTO THIS CONTRACT, BOTH YOU AND YOUR ATHLETE AGENT MUST  
10 NOTIFY YOUR ATHLETIC DIRECTOR; AND

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

13 (D) (1) AN AGENCY CONTRACT THAT DOES NOT CONFORM TO THIS SECTION  
14 IS VOIDABLE BY THE STUDENT-ATHLETE.

15 (2) IF A STUDENT-ATHLETE VOIDS AN AGENCY CONTRACT UNDER THIS  
16 SECTION, THE STUDENT-ATHLETE IS NOT REQUIRED TO PAY ANY CONSIDERATION  
17 UNDER THE CONTRACT OR TO RETURN ANY CONSIDERATION RECEIVED FROM THE  
18 ATHLETE AGENT TO INDUCE THE STUDENT-ATHLETE TO ENTER INTO THE  
19 CONTRACT.

20 (E) THE ATHLETE AGENT SHALL GIVE A RECORD OF THE SIGNED OR  
21 OTHERWISE AUTHENTICATED AGENCY CONTRACT TO THE STUDENT-ATHLETE AT  
22 THE TIME OF EXECUTION.

23 4-410.

24 (A) WITHIN 72 HOURS AFTER ENTERING INTO AN AGENCY CONTRACT OR  
25 BEFORE THE NEXT SCHEDULED ATHLETIC EVENT IN WHICH THE  
26 STUDENT-ATHLETE MAY PARTICIPATE, WHICHEVER OCCURS FIRST, THE ATHLETE  
27 AGENT SHALL GIVE NOTICE IN A RECORD OF THE EXISTENCE OF THE CONTRACT TO  
28 THE ATHLETIC DIRECTOR OF THE EDUCATIONAL INSTITUTION AT WHICH THE  
29 STUDENT-ATHLETE IS ENROLLED OR THE ATHLETE AGENT HAS REASONABLE  
30 GROUNDS TO BELIEVE THE STUDENT-ATHLETE INTENDS TO ENROLL.

31 (B) WITHIN 72 HOURS AFTER ENTERING INTO AN AGENCY CONTRACT OR  
32 BEFORE THE NEXT ATHLETIC EVENT IN WHICH THE STUDENT-ATHLETE MAY  
33 PARTICIPATE, WHICHEVER OCCURS FIRST, THE STUDENT-ATHLETE SHALL INFORM  
34 THE ATHLETIC DIRECTOR OF THE EDUCATIONAL INSTITUTION AT WHICH THE  
35 STUDENT-ATHLETE IS ENROLLED OR IN WHICH THE STUDENT-ATHLETE INTENDS  
36 TO ENROLL THAT THE STUDENT-ATHLETE HAS ENTERED INTO AN AGENCY  
37 CONTRACT.

1 4-411.

2 (A) A STUDENT-ATHLETE MAY CANCEL AN AGENCY CONTRACT BY GIVING  
3 NOTICE OF THE CANCELLATION TO THE ATHLETE AGENT IN A RECORD WITHIN 14  
4 DAYS AFTER THE CONTRACT IS SIGNED.

5 (B) A STUDENT-ATHLETE MAY NOT WAIVE THE RIGHT TO CANCEL AN  
6 AGENCY CONTRACT.

7 (C) IF A STUDENT-ATHLETE CANCELS AN AGENCY CONTRACT, THE  
8 STUDENT-ATHLETE IS NOT REQUIRED TO PAY ANY CONSIDERATION UNDER THE  
9 CONTRACT OR TO RETURN ANY CONSIDERATION RECEIVED FROM THE ATHLETE  
10 AGENT TO INDUCE THE STUDENT-ATHLETE TO ENTER INTO THE CONTRACT.

11 4-412.

12 (A) AN ATHLETE AGENT SHALL RETAIN THE FOLLOWING RECORDS FOR A  
13 PERIOD OF 5 YEARS:

14 (1) THE NAME OF EACH INDIVIDUAL REPRESENTED BY THE ATHLETE  
15 AGENT;

16 (2) THE ADDRESS OF EACH INDIVIDUAL REPRESENTED BY THE  
17 ATHLETE AGENT;

18 (3) ANY AGENCY CONTRACT ENTERED INTO BY THE ATHLETE AGENT;  
19 AND

20 (4) ANY DIRECT COSTS INCURRED BY THE ATHLETE AGENT IN THE  
21 RECRUITMENT OR SOLICITATION OF A STUDENT-ATHLETE TO ENTER INTO AN  
22 AGENCY CONTRACT.

23 (B) RECORDS REQUIRED TO BE RETAINED BY SUBSECTION (A) OF THIS  
24 SECTION ARE OPEN TO INSPECTION BY THE SECRETARY DURING NORMAL BUSINESS  
25 HOURS.

26 4-413.

27 (A) AN ATHLETE AGENT, WITH THE INTENT TO INDUCE A STUDENT-ATHLETE  
28 TO ENTER INTO AN AGENCY CONTRACT, MAY NOT:

29 (1) GIVE ANY MATERIALLY FALSE OR MISLEADING INFORMATION OR  
30 MAKE A MATERIALLY FALSE PROMISE OR REPRESENTATION;

31 (2) FURNISH ANYTHING OF VALUE TO A STUDENT-ATHLETE BEFORE  
32 THE STUDENT-ATHLETE ENTERS INTO THE AGENCY CONTRACT; OR

33 (3) FURNISH ANYTHING OF VALUE TO ANY INDIVIDUAL OTHER THAN  
34 THE STUDENT-ATHLETE OR ANOTHER LICENSED ATHLETE AGENT.

35 (B) AN ATHLETE AGENT MAY NOT INTENTIONALLY:

1 (1) INITIATE CONTACT WITH A STUDENT-ATHLETE UNLESS LICENSED  
2 UNDER THIS SUBTITLE;

3 (2) REFUSE OR FAIL TO RETAIN OR PERMIT INSPECTION OF THE  
4 RECORDS REQUIRED TO BE RETAINED BY § 4-412 OF THIS SUBTITLE;

5 (3) FAIL TO OBTAIN A LICENSE WHEN REQUIRED BY § 4-403 OF THIS  
6 SUBTITLE;

7 (4) PROVIDE MATERIALLY FALSE OR MISLEADING INFORMATION IN AN  
8 APPLICATION FOR A LICENSE OR RENEWAL OF A LICENSE;

9 (5) PREDATE OR POSTDATE AN AGENCY CONTRACT; OR

10 (6) FAIL TO NOTIFY A STUDENT-ATHLETE BEFORE THE  
11 STUDENT-ATHLETE SIGNS OR OTHERWISE AUTHENTICATES AN AGENCY CONTRACT  
12 FOR A PARTICULAR SPORT THAT THE SIGNING OR AUTHENTICATION MAY MAKE THE  
13 STUDENT-ATHLETE INELIGIBLE TO PARTICIPATE AS A STUDENT-ATHLETE IN THAT  
14 SPORT.

15 (C) AN ATHLETE AGENT MAY NOT SPLIT A FEE WITH OR RECEIVE  
16 COMPENSATION FROM:

17 (1) A PROFESSIONAL SPORTS LEAGUE;

18 (2) A PROFESSIONAL SPORTS FRANCHISE;

19 (3) A REPRESENTATIVE OR EMPLOYEE OF A PROFESSIONAL SPORTS  
20 LEAGUE OR FRANCHISE; OR

21 (4) AN EMPLOYEE OF AN EDUCATIONAL INSTITUTION IN THE STATE.

22 4-414.

23 AN ATHLETE AGENT WHO VIOLATES § 4-413 OF THIS SUBTITLE IS GUILTY OF A  
24 MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$10,000  
25 OR IMPRISONMENT NOT EXCEEDING 1 YEAR OR BOTH.

26 4-415.

27 (A) (1) AN EDUCATIONAL INSTITUTION HAS A RIGHT OF ACTION AGAINST  
28 AN ATHLETE AGENT OR A FORMER STUDENT-ATHLETE FOR DAMAGES CAUSED BY  
29 VIOLATION OF THIS SUBTITLE.

30 (2) IN AN ACTION UNDER THIS SECTION, THE COURT MAY AWARD TO  
31 THE PREVAILING PARTY COSTS AND REASONABLE ATTORNEY'S FEES.

32 (B) DAMAGES TO AN EDUCATIONAL INSTITUTION UNDER SUBSECTION (A) OF  
33 THIS SECTION INCLUDE LOSSES AND EXPENSES INCURRED BECAUSE, AS A RESULT  
34 OF THE CONDUCT OF AN ATHLETE AGENT OR FORMER STUDENT-ATHLETE, THE  
35 EDUCATIONAL INSTITUTION WAS INJURED BY A VIOLATION OF THIS SUBTITLE OR

1 WAS PENALIZED, DISQUALIFIED, OR SUSPENDED FROM PARTICIPATION IN  
2 ATHLETICS BY A NATIONAL ASSOCIATION FOR THE PROMOTION AND REGULATION  
3 OF ATHLETICS, BY AN ATHLETIC CONFERENCE, OR BY REASONABLE SELF-IMPOSED  
4 DISCIPLINARY ACTION TAKEN TO MITIGATE SANCTIONS LIKELY TO BE IMPOSED BY  
5 SUCH AN ORGANIZATION.

6 (C) A RIGHT OF ACTION UNDER THIS SECTION DOES NOT ACCRUE UNTIL THE  
7 EDUCATIONAL INSTITUTION DISCOVERS, OR BY THE EXERCISE OF REASONABLE  
8 DILIGENCE WOULD HAVE DISCOVERED, THE VIOLATION BY THE ATHLETE AGENT OR  
9 FORMER STUDENT-ATHLETE.

10 (D) ANY LIABILITY OF THE ATHLETE AGENT OR THE FORMER  
11 STUDENT-ATHLETE UNDER THIS SECTION IS SEVERAL AND NOT JOINT.

12 (E) THIS SUBTITLE DOES NOT RESTRICT RIGHTS, REMEDIES, OR DEFENSES OF  
13 ANY PERSON UNDER LAW OR EQUITY.

14 4-416.

15 (A) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE AND SUBJECT TO  
16 THE PROVISIONS OF § 4-407 OF THIS SUBTITLE, THE SECRETARY MAY ASSESS A CIVIL  
17 PENALTY AGAINST A PERSON WHO VIOLATES ANY PROVISION OF THIS SUBTITLE NOT  
18 TO EXCEED \$25,000.

19 (B) (1) TO DETERMINE THE AMOUNT OF THE PENALTY, THE SECRETARY  
20 SHALL CONSIDER:

- 21 (I) THE SERIOUSNESS OF THE VIOLATION;
- 22 (II) THE HARM CAUSED BY THE VIOLATION;
- 23 (III) THE GOOD FAITH OF THE VIOLATOR;
- 24 (IV) ANY HISTORY OF PREVIOUS VIOLATIONS BY THE VIOLATOR;
- 25 AND
- 26 (V) ANY OTHER RELEVANT FACTORS.

27 (C) THE SECRETARY SHALL PAY ANY PENALTY COLLECTED UNDER THIS  
28 SECTION INTO THE GENERAL FUND OF THE STATE.

29 4-417.

30 IN APPLYING AND CONSTRUING THIS UNIFORM ACT, CONSIDERATION MUST BE  
31 GIVEN TO THE NEED TO PROMOTE UNIFORMITY OF THE LAW WITH RESPECT TO ITS  
32 SUBJECT MATTER AMONG STATES THAT ENACT IT.

33 4-418.

34 THE PROVISIONS OF THIS SUBTITLE GOVERNING THE LEGAL EFFECT,  
35 VALIDITY, OR ENFORCEABILITY OF ELECTRONIC RECORDS OR SIGNATURES, AND OF

1 CONTRACTS FORMED OR PERFORMED WITH THE USE OF SUCH RECORDS OR  
2 SIGNATURES CONFORM TO THE REQUIREMENTS OF SECTION 102 OF THE  
3 ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT, PUB. L. NO.  
4 106-229, 114 STAT. 464 (2000), AND SUPERSEDE, MODIFY, AND LIMIT THE ELECTRONIC  
5 SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT.

6 4-419.

7 IF ANY PROVISION OF THIS SUBTITLE OR ITS APPLICATION TO ANY PERSON OR  
8 CIRCUMSTANCE IS HELD INVALID, THE INVALIDITY DOES NOT AFFECT OTHER  
9 PROVISIONS OR APPLICATIONS OF THIS SUBTITLE WHICH CAN BE GIVEN EFFECT  
10 WITHOUT THE INVALID PROVISION OR APPLICATION, AND TO THIS END THE  
11 PROVISIONS OF THIS SUBTITLE ARE SEVERABLE.

12 4-420.

13 THE SECRETARY SHALL ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.

14 4-421.

15 THIS SUBTITLE IS THE MARYLAND UNIFORM ATHLETE AGENTS ACT.

16 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 October 1, 2003.