

Chapter 691

(House Bill 920)

AN ACT concerning

Maryland Uniform Athlete Agents Act – Definitions and Prohibitions

FOR the purpose of altering the definition of “agency contract” to include a certain agreement in which a student–athlete authorizes a person to assess and plan for the financial benefits that may arise out of the student–athlete’s professional sports career; altering the definition of “athlete agent” to include an individual who facilitates or encourages a connection between a student–athlete and another athlete agent; prohibiting an athlete–agent with certain intent from soliciting another individual to commit an act on behalf of the athlete agent that is a violation of the Maryland Uniform Athlete Agents Act; and generally relating to the Maryland Uniform Athletes Agents Act.

BY repealing and reenacting, without amendments,
 Article – Business Regulation
 Section 4–401(a) and 4–414
 Annotated Code of Maryland
 (2010 Replacement Volume and 2011 Supplement)

BY repealing and reenacting, with amendments,
 Article – Business Regulation
 Section 4–401(b) and (c) and 4–413
 Annotated Code of Maryland
 (2010 Replacement Volume and 2011 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Business Regulation

4–401.

(a) In this subtitle the following words have the meanings indicated.

(b) **(1)** “Agency contract” means an agreement in which a student–athlete authorizes a person to negotiate or solicit on behalf of the student–athlete a professional–sports–services contract or an endorsement contract.

(2) “AGENCY CONTRACT” INCLUDES A WRITTEN AGREEMENT FOR CURRENT OR FUTURE REPRESENTATION IN WHICH A STUDENT–ATHLETE

AUTHORIZES A PERSON TO ASSESS AND PLAN FOR THE FINANCIAL BENEFITS THAT MAY ARISE OUT OF THE STUDENT-ATHLETE'S PROFESSIONAL SPORTS CAREER.

(c) (1) "Athlete agent" means an individual who enters into an agency contract with a student-athlete or, directly or indirectly, recruits or solicits a student-athlete to enter into an agency contract.

(2) "Athlete agent" includes an individual who:

(I) represents to the public that the individual is an athlete agent; **OR**

(II) **FACILITATES OR ENCOURAGES A CONNECTION BETWEEN A STUDENT-ATHLETE AND ANOTHER ATHLETE AGENT.**

(3) "Athlete agent" does not include a spouse, parent, sibling, grandparent, or guardian of the student-athlete, or an individual acting solely on behalf of a professional sports team or professional sports organization.

4-413.

(a) An athlete agent, with the intent to induce a student-athlete to enter into an agency contract, may not:

(1) give any materially false or misleading information or make a materially false promise or representation;

(2) furnish anything of value to a student-athlete before the student-athlete enters into the agency contract; **[or]**

(3) furnish anything of value to any individual other than the student-athlete or another licensed athlete agent; **OR**

(4) **SOLICIT ANOTHER INDIVIDUAL WHO IS NOT AN ATHLETE AGENT TO COMMIT AN ACT ON BEHALF OF THE ATHLETE AGENT THAT IS A VIOLATION OF THIS SUBTITLE.**

(b) An athlete agent may not intentionally:

(1) initiate contact with a student-athlete unless licensed under this subtitle;

(2) refuse or fail to retain or permit inspection of the records required to be retained by § 4-412 of this subtitle;

- (3) fail to obtain a license when required by § 4–403 of this subtitle;
 - (4) provide materially false or misleading information in an application for a license or renewal of a license;
 - (5) predate or postdate an agency contract; or
 - (6) fail to notify a student–athlete before the student–athlete signs or otherwise authenticates an agency contract for a particular sport that the signing or authentication may make the student–athlete ineligible to participate as a student–athlete in that sport.
- (c) An athlete agent may not split a fee with or receive compensation from:
- (1) a professional sports league;
 - (2) a professional sports franchise;
 - (3) a representative or employee of a professional sports league or franchise; or
 - (4) an employee of an educational institution in the State.

4–414.

An athlete agent who violates § 4–413 of this subtitle is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$10,000 or imprisonment not exceeding 1 year or both.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2012.

Approved by the Governor, May 22, 2012.