
A BILL FOR AN ACT

RELATING TO ATHLETE AGENTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the recruitment of a
2 student athlete while the student athlete is still enrolled in
3 an educational institution may cause substantial eligibility or
4 other problems for the student and the school, especially when
5 the athlete is not aware of the implications of signing the
6 agency agreement or where agency is established without notice
7 to the athletic director of the school. During the 2007 regular
8 legislative session, as part of an effort to counteract this
9 problem, Hawaii joined approximately forty other states by
10 enacting the Uniform Athlete Agents Act, codified as chapter
11 481E, Hawaii Revised Statutes.

12 The legislature further finds that the Uniform Athlete
13 Agents Act provides for the uniform registration, certification,
14 and a mandated criminal history disclosure of sports agents
15 seeking to represent student athletes who are or may be eligible
16 to participate in intercollegiate sports; imposes specified
17 contract terms on these agreements to the benefit of student



1 athletes; and provides educational institutions with a right to
2 notice along with a civil cause of action for damages resulting
3 from a breach of specified duties. According to an article in
4 the November 7, 2014, edition of the Wall Street Journal, some
5 college officials say that the Uniform Athlete Agents Act has
6 helped reduce improper contact between agents and student
7 athletes.

8 The legislature additionally finds that since the enactment
9 of chapter 481E, Hawaii Revised Statutes, related problems have
10 surfaced in another quarter, namely, financial advisers. The
11 Wall Street Journal article also noted that:

12 (1) Reports from college athletic officials that "brokers,
13 insurance agents, bankers and other types of financial
14 advisers often contact athletes who are promising pro
15 prospects";

16 (2) Some of the financial advisers who sought to represent
17 student athletes became the subjects of industry
18 disciplinary or criminal proceedings; and

19 (3) "The double standard between financial advisers and
20 sports agents has long bothered some college athletic
21 officials, regulators and even players. Agents were



1 reined in [by the Uniform Athlete Agents Act] . . .
2 while leaving players as vulnerable as ever to
3 unscrupulous financial advisers."

4 The purpose of this Act is to repeal chapter 481E, Hawaii
5 Revised Statutes, and replace it with a new Revised Uniform
6 Athlete Agents Act that applies to financial advisers under
7 certain circumstances, and make the law more effective and
8 enforceable. More specifically, as compared to chapter 481E,
9 Hawaii Revised Statutes, this Act:

10 (1) Expands the definition of "athlete agent" to include
11 individuals who provide certain financial and business
12 services to student athletes under certain
13 circumstances;

14 (2) Includes a true reciprocal registration requirement
15 under which registrations by an agent in one state
16 shall be recognized in another state, subject to
17 certain conditions;

18 (3) Requires agency contracts to:
19 (A) Contain a statement that the athlete agent is
20 registered in the state in which the contract is



- 1 signed and list any other state in which the
2 agent is registered; and
- 3 (B) Be accompanied by a separate record signed by the
4 student athlete acknowledging that signing the
5 contract may result in the loss of eligibility to
6 participate in the athlete's sport as a student
7 athlete;
- 8 (4) Provides civil penalties to athlete agents who fail to
9 notify the educational institution at which a student
10 athlete is enrolled before contacting a student
11 athlete;
- 12 (5) Requires an athlete agent who has a preexisting
13 relationship with a student athlete who receives an
14 athletic scholarship from the institution to notify
15 the institution if the agent has or intends to recruit
16 or solicit the student athlete to enter into an agency
17 contract;
- 18 (6) Adds criminal penalties for an athlete agent who
19 encourages another individual to take an action the
20 agent is prohibited from taking on behalf of the
21 agent; and



1 (7) Gives student athletes a right of action against an
2 athlete agent who violates the Act.

3 The legislature notes that the National Collegiate Athletic
4 Association has officially endorsed the Revised Uniform Athlete
5 Agents Act.

6 SECTION 2. The Hawaii Revised Statutes is amended by
7 adding a new chapter to be appropriately designated and to read
8 as follows:

9 "CHAPTER

10 REVISED UNIFORM ATHLETE AGENTS ACT

11 § -1 Short title. This chapter may be cited as the
12 Revised Uniform Athlete Agents Act.

13 § -2 Definitions. As used in this chapter:

14 "Agency contract" means an agreement in which a student
15 athlete authorizes a person to negotiate or solicit on behalf of
16 the athlete a professional-sports-services contract or
17 endorsement contract.

18 "Athlete agent":

19 (1) Means an individual, whether or not registered under
20 this chapter, who:



- 1 (A) Directly or indirectly recruits or solicits a
- 2 student athlete to enter into an agency contract
- 3 or, for compensation, procures employment or
- 4 offers, promises, attempts, or negotiates to
- 5 obtain employment for a student athlete as a
- 6 professional athlete or member of a professional
- 7 sports team or organization;
- 8 (B) For compensation or in anticipation of
- 9 compensation related to a student athlete's
- 10 participation in athletics:
- 11 (i) Serves the athlete in an advisory capacity
- 12 on a matter related to finances, business
- 13 pursuits, or career management decisions,
- 14 unless the individual is an employee of an
- 15 educational institution acting exclusively
- 16 as an employee of the institution for the
- 17 benefit of the institution; or
- 18 (ii) Manages the business affairs of the athlete
- 19 by providing assistance with bills,
- 20 payments, contracts, or taxes; or



- 1 (C) In anticipation of representing a student athlete
- 2 for a purpose related to the athlete's
- 3 participation in athletics:
- 4 (i) Gives consideration to the student athlete
- 5 or another person;
- 6 (ii) Serves the athlete in an advisory capacity
- 7 on a matter related to finances, business
- 8 pursuits, or career management decisions; or
- 9 (iii) Manages the business affairs of the athlete
- 10 by providing assistance with bills,
- 11 payments, contracts, or taxes; and
- 12 (2) Does not include an individual who:
- 13 (A) Acts solely on behalf of a professional sports
- 14 team or organization; or
- 15 (B) Is a licensed, registered, or certified
- 16 professional and offers or provides services to a
- 17 student athlete customarily provided by members
- 18 of the profession, unless the individual:
- 19 (i) Also recruits or solicits the athlete to
- 20 enter into an agency contract;



- 1 (ii) Also, for compensation, procures employment
- 2 or offers, promises, attempts, or negotiates
- 3 to obtain employment for the athlete as a
- 4 professional athlete or member of a
- 5 professional sports team or organization; or
- 6 (iii) Receives consideration for providing the
- 7 services calculated using a different method
- 8 than for an individual who is not a student
- 9 athlete.

10 "Athletic director" means the individual responsible for

11 administering the overall athletic program of an educational

12 institution or, if an educational institution has separately

13 administered athletic programs for female students and male

14 students, the athletic program for females or the athletic

15 program for males, as appropriate.

16 "Certified athlete agent" means an athlete agent registered

17 under this chapter who is certified to be an athlete agent in a

18 particular sport by a bona fide national association that

19 promotes or regulates intercollegiate athletics and establishes

20 eligibility standards for participation by a student athlete in

21 that sport.



1 "Director" means the director of commerce and consumer
2 affairs.

3 "Educational institution" includes a public or private
4 elementary school, secondary school, technical or vocational
5 school, community college, college, and university.

6 "Endorsement contract" means an agreement under which a
7 student athlete is employed or receives consideration to use on
8 behalf of the other party of any value that the student athlete
9 may have because of publicity, reputation, following, or fame
10 obtained because of athletic ability or performance.

11 "Enrolled" or "enrolls" means registered for courses and
12 attending athletic practice or class.

13 "Intercollegiate sport" means a sport played at the
14 collegiate level for which eligibility requirements for
15 participation by a student athlete are established by a national
16 association that promotes or regulates collegiate athletics.

17 "Interscholastic sport" means a sport played between
18 educational institutions that are not community colleges,
19 colleges, or universities.

20 "Licensed, registered, or certified professional" means an
21 individual licensed, registered, or certified as an attorney,



1 dealer in securities, financial planner, insurance producer,
2 real estate broker or salesperson, tax consultant, accountant,
3 or member of a profession, other than that of athlete agent, who
4 is licensed, registered, or certified by the State or a
5 nationally recognized organization that licenses, registers, or
6 certifies members of the profession on the basis of experience,
7 education, or testing.

8 "Person" means an individual, estate, business or nonprofit
9 entity, public corporation, government or governmental
10 subdivision, agency, or instrumentality, or other legal entity.

11 "Professional-sports-services contract" means an agreement
12 under which an individual is employed as a professional athlete
13 or agrees to render services as a player on a professional
14 sports team or with a professional sports organization.

15 "Record" means information that is inscribed on a tangible
16 medium or that is stored in an electronic or other medium and is
17 retrievable in perceivable form.

18 "Recruit or solicit" means to attempt to influence the
19 choosing of an athlete agent by a student athlete or, if the
20 athlete is a minor, a parent or guardian of the athlete. The
21 term does not include giving advice on the selection of a



1 particular agent in a family, coaching, or social situation
2 unless the individual giving the advice does so because of the
3 receipt or anticipated receipt of an economic benefit, directly
4 or indirectly, from the agent.

5 "Registration" means registration as an athlete agent under
6 this chapter.

7 "Sign" means, with present intent to authenticate or adopt
8 a record:

- 9 (1) To execute or adopt a tangible symbol; or
- 10 (2) To attach to or logically associate with the record an
11 electronic symbol, sound, or process.

12 "State" means a state of the United States, the District of
13 Columbia, Guam, Puerto Rico, the United States Virgin Islands,
14 or any territory or insular possession subject to the
15 jurisdiction of the United States.

16 "Student athlete" means an individual who is eligible to
17 attend an educational institution and engages in, is eligible to
18 engage in, or may be eligible in the future to engage in, any
19 interscholastic sport or intercollegiate sport. The term does
20 not include an individual permanently ineligible to participate



1 in a particular interscholastic sport or intercollegiate sport
2 for that sport.

3 § -3 Director; powers and duties; authority; procedure.

4 (a) In addition to any other powers and duties authorized by
5 law, the director shall have the powers and duties to:

6 (1) Grant, deny, renew, refuse to renew, restore,
7 terminate, reinstate, condition, restrict, suspend, or
8 revoke a registration issued pursuant to this chapter;

9 (2) Adopt, amend, or repeal rules pursuant to chapter 91
10 as the director finds necessary to carry out this
11 chapter;

12 (3) Administer, coordinate, and enforce this chapter;

13 (4) Discipline a registered athlete agent on grounds
14 specified by this chapter or chapter 436B or for any
15 violation of rules adopted by the director pursuant to
16 this chapter; and

17 (5) Refuse to register a person for failure to meet the
18 registration requirements in this chapter or for any
19 reason specified by this chapter as grounds to
20 discipline an athlete agent.



1 (b) By acting as an athlete agent in this State, a
2 nonresident individual appoints the director as the individual's
3 agent for service of process in any civil action in this State
4 related to the individual acting as an athlete agent in this
5 State.

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

8 **§ -4 Athlete agent; registration required; void**
9 **contract.** (a) Except as otherwise provided in subsection (b),
10 an individual may not act as an athlete agent in this State
11 without holding a certificate of registration under this
12 chapter.

13 (b) Before being issued a certificate of registration
14 under this chapter, an individual may act as an athlete agent in
15 this State for all purposes except signing an agency contract,
16 if:

17 (1) A student athlete or another person acting on behalf
18 of the athlete initiates communication with the
19 individual; and

20 (2) Not later than seven days after an initial act that
21 requires the individual to register as an athlete



1 agent, the individual submits an application for
2 registration as an athlete agent in this State.

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

6 § -5 Registration as athlete agent; application;
7 requirements; reciprocal registration. (a) An applicant for
8 registration as an athlete agent shall submit an application for
9 registration to the director in a form prescribed by the
10 director. The applicant shall be an individual, and the
11 application shall be signed by the applicant under penalty of
12 perjury or unsworn falsification to authorities, as applicable.
13 The application shall contain at least the following:

14 (1) The name and date and place of birth of the applicant
15 and the following contact information for the
16 applicant:

17 (A) The address of the applicant's principal place of
18 business;

19 (B) Work and mobile telephone numbers; and

20 (C) Any means of communicating electronically,
21 including a facsimile number, electronic mail



- 1 address, and personal and business or employer
2 websites;
- 3 (2) The name of the applicant's business or employer, if
4 applicable, including for each business or employer,
5 its mailing address, telephone number, organization
6 form, and the nature of the business;
- 7 (3) Each social media account with which the applicant or
8 the applicant's business or employer is affiliated;
- 9 (4) Each business or occupation in which the applicant
10 engaged within five years before the date of the
11 application, including self-employment and employment
12 by others, and any professional or occupational
13 license, registration, or certification held by the
14 applicant during that time;
- 15 (5) A description of the applicant's:
- 16 (A) Formal training as an athlete agent;
17 (B) Practical experience as an athlete agent; and
18 (C) Educational background relating to the
19 applicant's activities as an athlete agent;
- 20 (6) The name of each student athlete for whom the
21 applicant acted as an athlete agent within five years



1 before the date of the application or, if the athlete
2 is a minor, the name of the parent or guardian of the
3 minor, together with the athlete's sport and last-
4 known team;

5 (7) The name and address of each person that:

6 (A) Is a partner, member, officer, manager,
7 associate, or profit sharer or directly or
8 indirectly holds an equity interest of five per
9 cent or greater of the athlete agent's business
10 if the business is not a corporation; and

11 (B) Is an officer or director of a corporation
12 employing the athlete agent or a shareholder
13 having an interest of five per cent or greater in
14 the corporation;

15 (8) A description of the status of any application by the
16 applicant, or any person named under paragraph (7),
17 for a state or federal business, professional, or
18 occupational license, other than as an athlete agent,
19 from a state or federal agency, including any denial,
20 refusal to renew, suspension, withdrawal, or



1 termination of the license and any reprimand or
2 censure related to the license;

3 (9) Whether the applicant, or any person named under
4 paragraph (7), has pleaded guilty or no contest to,
5 has been convicted of, or has charges pending for, a
6 crime that would involve moral turpitude or be a
7 felony if committed in this State and, if so,
8 identification of:

9 (A) The crime;

10 (B) The law-enforcement agency involved; and

11 (C) If applicable, the date of the conviction and the
12 fine or penalty imposed;

13 (10) Whether, within fifteen years before the date of
14 application, the applicant, or any person named under
15 paragraph (7), has been a defendant or respondent in a
16 civil proceeding, including a proceeding seeking an
17 adjudication of incapacity and, if so, the date and a
18 full explanation of each proceeding;

19 (11) Whether the applicant, or any person named under
20 paragraph (7), has an unsatisfied judgment or a
21 judgment of continuing effect, including support and



1 maintenance or a domestic order in the nature of child
2 support, which is not current at the date of the
3 application;

4 (12) Whether, within ten years before the date of
5 application, the applicant, or any person named under
6 paragraph (7), was adjudicated bankrupt or was an
7 owner of a business that was adjudicated bankrupt;

8 (13) Whether there has been any administrative or judicial
9 determination that the applicant, or any person named
10 under paragraph (7), made a false, misleading,
11 deceptive, or fraudulent representation;

12 (14) Each instance in which conduct of the applicant, or
13 any person named under paragraph (7), resulted in the
14 imposition of a sanction, suspension, or declaration
15 of ineligibility to participate in an interscholastic,
16 intercollegiate, or professional athletic event on a
17 student athlete or a sanction on an educational
18 institution;

19 (15) Each sanction, suspension, or disciplinary action
20 taken against the applicant, or any person named under



- 1 paragraph (7), arising out of occupational or
2 professional conduct;
- 3 (16) Whether there has been a denial of an application for,
4 suspension or revocation of, refusal to renew, or
5 abandonment of, the registration of the applicant, or
6 any person named under paragraph (7), as an athlete
7 agent in any state;
- 8 (17) Each state in which the applicant currently is
9 registered as an athlete agent or has applied to be
10 registered as an athlete agent;
- 11 (18) If the applicant is certified or registered by a
12 professional league or players' association:
- 13 (A) The name of the league or association;
- 14 (B) The date of certification or registration, and
15 the date of expiration of the certification or
16 registration, if any; and
- 17 (C) If applicable, the date of any denial of an
18 application for, suspension or revocation of,
19 refusal to renew, withdrawal of, or termination
20 of, the certification or registration or any



1 reprimand or censure related to the certification
2 or registration; and

3 (19) Any additional information required by the director.

4 (b) Instead of submitting an athlete agent application for
5 registration pursuant to subsection (a), an individual
6 registered as an athlete agent in another state that has adopted
7 the Revised Uniform Athlete Agents Act may apply for
8 registration as an athlete agent in this State by submitting to
9 the director:

10 (1) A copy of the application for registration in the
11 other state;

12 (2) A statement that identifies any material change in the
13 information on the application or verifies there is no
14 material change in the information, signed under
15 penalty of unsworn falsification to authorities; and

16 (3) A copy of the certificate of registration from the
17 other state.

18 (c) The director shall issue a certificate of registration
19 to an individual who applies for registration under subsection
20 (b) if the director determines:



1 (1) The application and registration requirements of the
2 other state are substantially similar to or more
3 restrictive than this chapter; and

4 (2) The registration has not been revoked or suspended and
5 no action involving the individual's conduct as an
6 athlete agent is pending against the individual or the
7 individual's registration in any state.

8 (d) For purposes of implementing subsection (c), the
9 director shall:

10 (1) Cooperate with national organizations concerned with
11 athlete agent issues and agencies in other states that
12 register athlete agents to develop a common
13 registration form and determine which states have laws
14 that are substantially similar to or more restrictive
15 than this chapter; and

16 (2) Exchange information, including information related to
17 actions taken against registered athlete agents or
18 their registrations, with those organizations and
19 agencies.

20 § -6 Certificate of registration; issuance or denial;
21 renewal. (a) Except as otherwise provided in subsection (b),



1 the director shall issue a certificate of registration to an
2 applicant for registration who complies with section -5(a).

3 (b) The director may refuse to issue a certificate of
4 registration to an applicant for registration under section
5 -5(a) if the director determines that the applicant has
6 engaged in conduct that significantly adversely reflects on the
7 applicant's fitness to act as an athlete agent. In making the
8 determination, the director may consider whether the applicant
9 has:

- 10 (1) Pleaded guilty or no contest to, has been convicted
- 11 of, or has charges pending for, a crime that would
- 12 involve moral turpitude or be a felony if committed in
- 13 this State;
- 14 (2) Made a materially false, misleading, deceptive, or
- 15 fraudulent representation in the application or as an
- 16 athlete agent;
- 17 (3) Engaged in conduct that would disqualify the applicant
- 18 from serving in a fiduciary capacity;
- 19 (4) Engaged in conduct prohibited by section -14;
- 20 (5) Had a registration as an athlete agent suspended,
- 21 revoked, or denied in any state;



- 1 (6) Been refused renewal of registration as an athlete
2 agent in any state;
- 3 (7) Engaged in conduct resulting in imposition of a
4 sanction, suspension, or declaration of ineligibility
5 to participate in an interscholastic, intercollegiate,
6 or professional athletic event on a student athlete or
7 a sanction on an educational institution; or
- 8 (8) Engaged in conduct that adversely reflects on the
9 applicant's credibility, honesty, or integrity.
- 10 (c) In making a determination under subsection (b), the
11 director shall consider:
 - 12 (1) How recently the conduct occurred;
 - 13 (2) The nature of the conduct and the context in which it
14 occurred; and
 - 15 (3) Other relevant conduct of the applicant.
- 16 (d) An athlete agent registered under subsection (a) may
17 apply to renew the registration by submitting an application for
18 renewal in a form prescribed by the director. The applicant
19 shall sign the application for renewal under penalty of unsworn
20 falsification to authorities and include current information on



1 all matters required in an original application for
2 registration.

3 (e) An athlete agent registered under section -5(c) may
4 renew the registration by proceeding under subsection (d) or, if
5 the registration in the other state has been renewed, by
6 submitting to the director copies of the application for renewal
7 in the other state and the renewed registration from the other
8 state. The director shall renew the registration if the
9 director determines:

10 (1) The registration requirements of the other state are
11 substantially similar to or more restrictive than this
12 chapter; and

13 (2) The renewed registration has not been suspended or
14 revoked and no action involving the individual's
15 conduct as an athlete agent is pending against the
16 individual or the individual's registration in any
17 state.

18 (f) A certificate of registration or renewal of
19 registration under this chapter shall be valid for two years and
20 shall be renewed by June 30 of every even-numbered year, upon
21 the payment of a renewal fee within sixty days before the



1 expiration of the registration. Registrations that have been
2 forfeited may be restored within one year of the forfeiture date
3 upon payment of renewal and restoration fees. Failure to
4 restore a forfeited registration within one year shall result in
5 the automatic termination of the registration. A person whose
6 registration has been terminated pursuant to this section shall
7 be required to reapply for a new registration as a new
8 applicant.

9 § -7 Limitation, suspension, revocation, or refusal to
10 renew registration. (a) The director may limit, suspend,
11 revoke, or refuse to renew a registration of an individual
12 registered under section -6(a) for conduct that would have
13 justified refusal to issue a certificate of registration under
14 section -6(b).

15 (b) The director may suspend or revoke the registration of
16 an individual registered under section -5(c) or renewed under
17 section -6(e) for any reason for which the director could
18 have refused to grant or renew registration or for conduct that
19 would justify refusal to issue a certificate of registration
20 under section -6(b).



1 (c) The director may deny, suspend, revoke, or refuse to
2 renew a certificate of registration after proper notice and an
3 opportunity for a hearing pursuant to chapter 91.

4 § -8 Temporary registration. The director may issue a
5 temporary certificate of registration as an athlete agent while
6 an application for registration or renewal of registration is
7 pending.

8 § -9 Registration and renewal fees. No applicant or
9 registrant shall be issued a certificate of registration unless
10 the appropriate fees have been paid. Unless otherwise provided
11 by law, the director shall establish the amount of all fees and
12 expenses by rules adopted pursuant to chapter 91, and the fees
13 shall be deposited with the director to the credit of the
14 compliance resolution fund established pursuant to section
15 26-9(o).

16 § -10 Required form of agency contract. (a) An agency
17 contract shall be in a record signed by the parties.

18 (b) An agency contract shall contain:

19 (1) A statement that the athlete agent is registered as an
20 athlete agent in this State and a list of any other



- 1 states in which the agent is registered as an athlete
2 agent;
- 3 (2) The amount and method of calculating the consideration
4 to be paid by the student athlete for services to be
5 provided by the agent under the contract and any other
6 consideration the agent has received or will receive
7 from any other source for entering into the contract
8 or providing the services;
- 9 (3) The name of any person not listed in the agent's
10 application for registration or renewal of
11 registration that will be compensated because the
12 athlete signed the contract;
- 13 (4) A description of any expenses the athlete agrees to
14 reimburse;
- 15 (5) A description of the services to be provided to the
16 athlete;
- 17 (6) The duration of the contract; and
- 18 (7) The date of execution.
- 19 (c) Subject to subsection (g), an agency contract shall
20 contain a conspicuous notice in boldface type and in
21 substantially the following form:



1 "WARNING TO STUDENT ATHLETE
2 IF YOU SIGN THIS CONTRACT:
3 (1) YOU MAY LOSE YOUR ELIGIBILITY TO COMPETE AS A STUDENT
4 ATHLETE IN YOUR SPORT;
5 (2) IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN SEVENTY-TWO
6 HOURS AFTER SIGNING THIS CONTRACT OR BEFORE THE NEXT
7 SCHEDULED ATHLETIC EVENT IN WHICH YOU PARTICIPATE,
8 WHICHEVER OCCURS FIRST, BOTH YOU AND YOUR ATHLETE
9 AGENT MUST NOTIFY YOUR ATHLETIC DIRECTOR THAT YOU HAVE
10 ENTERED INTO THIS CONTRACT AND PROVIDE THE NAME AND
11 CONTACT INFORMATION OF THE ATHLETE AGENT; AND
12 (3) YOU MAY CANCEL THIS CONTRACT WITHIN FOURTEEN DAYS
13 AFTER SIGNING IT. CANCELLATION OF THIS CONTRACT MAY
14 NOT REINSTATE YOUR ELIGIBILITY AS A STUDENT ATHLETE IN
15 YOUR SPORT."
16 (d) An agency contract shall be accompanied by a separate
17 record signed by the student athlete or, if the athlete is a
18 minor, the parent or guardian of the athlete acknowledging that
19 signing the contract may result in the loss of the athlete's
20 eligibility to participate in the athlete's sport.



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

7 (f) At the time an agency contract is executed, the
8 athlete agent shall give the student athlete or, if the athlete
9 is a minor, the parent or guardian of the athlete a copy in a
10 record of the contract and the separate acknowledgment required
11 by subsection (d).

12 (g) If a student athlete is a minor, an agency contract
13 shall be signed by the parent or guardian of the minor and the
14 notice required by subsection (c) shall be revised accordingly.

15 § -11 Notice to educational institution. (a) As used
16 in this section, "communication or attempt to communicate" means
17 contacting or attempting to contact by an in-person meeting, a
18 record, or any other method that conveys or attempts to convey a
19 message.

20 (b) Not later than seventy-two hours after entering into
21 an agency contract or before the next scheduled athletic event



1 in which the student athlete may participate, whichever occurs
2 first, the athlete agent shall give notice in a record of the
3 existence of the contract to the athletic director of the
4 educational institution at which the athlete is enrolled or at
5 which the agent has reasonable grounds to believe the athlete
6 intends to enroll.

7 (c) Not later than seventy-two hours after entering into
8 an agency contract or before the next scheduled athletic event
9 in which the student athlete may participate, whichever occurs
10 first, the athlete shall inform the athletic director of the
11 educational institution at which the athlete is enrolled that
12 the athlete has entered into an agency contract and the name and
13 contact information of the athlete agent.

14 (d) If an athlete agent enters into an agency contract
15 with a student athlete and the athlete subsequently enrolls at
16 an educational institution, the agent shall notify the athletic
17 director of the institution of the existence of the contract not
18 later than seventy-two hours after the agent knew or should have
19 known the athlete enrolled.

20 (e) If an athlete agent has a relationship with a student
21 athlete before the athlete enrolls in an educational institution



1 and receives an athletic scholarship from the institution, the
2 agent shall notify the institution of the relationship not later
3 than ten days after the enrollment if the agent knows or should
4 have known of the enrollment and:

5 (1) The relationship was motivated in whole or part by the
6 intention of the agent to recruit or solicit the
7 athlete to enter an agency contract in the future; or

8 (2) The agent directly or indirectly recruited or
9 solicited the athlete to enter an agency contract
10 before the enrollment.

11 (f) An athlete agent shall give notice in a record to the
12 athletic director of any educational institution at which a
13 student athlete is enrolled before the agent communicates or
14 attempts to communicate with:

15 (1) The athlete or, if the athlete is a minor, a parent or
16 guardian of the athlete, to influence the athlete or
17 parent or guardian to enter into an agency contract;
18 or

19 (2) Another individual to have that individual influence
20 the athlete or, if the athlete is a minor, the parent



1 or guardian of the athlete to enter into an agency
2 contract.

3 (g) If a communication or attempt to communicate with an
4 athlete agent is initiated by a student athlete or another
5 individual on behalf of the athlete, the agent shall notify in a
6 record the athletic director of any educational institution at
7 which the athlete is enrolled. The notification shall be made
8 not later than ten days after the communication or attempt to
9 communicate.

10 (h) An educational institution that becomes aware of a
11 violation of this chapter by an athlete agent shall make
12 notification of the violation to the director and any
13 professional league or players' association with which the
14 institution is aware the agent is licensed or registered.

15 § -12 Student athlete's right to cancel. (a) A student
16 athlete or, if the athlete is a minor, the parent or guardian of
17 the athlete may cancel an agency contract by giving notice in a
18 record of cancellation to the athlete agent not later than
19 fourteen days after the contract is signed.



1 (b) A student athlete or, if the athlete is a minor, the
2 parent or guardian of the student athlete may not waive the
3 right to cancel an agency contract.

4 (c) If a student athlete, parent, or guardian cancels an
5 agency contract, the athlete, parent, or guardian is not
6 required to pay any consideration under the contract or return
7 any consideration received from the athlete agent to influence
8 the athlete to enter into the contract.

9 § -13 Required records. (a) An athlete agent shall
10 create and retain, for five years, records of the following:

- 11 (1) The name and address of each individual represented by
12 the agent;
- 13 (2) Each agency contract entered into by the agent; and
- 14 (3) The direct costs incurred by the agent in the
15 recruitment or solicitation of each student athlete to
16 enter into an agency contract.

17 (b) Records described in subsection (a) shall be open to
18 inspection by the director during normal business hours.

19 § -14 Prohibited conduct. (a) Except as otherwise
20 provided in subsection (c), an athlete agent, with the intent to
21 influence a student athlete or, if the athlete is a minor, a



1 parent or guardian of the athlete to enter into an agency
2 contract, shall not take any of the following actions, encourage
3 any other individual to take any of the following actions, or
4 assist any other individual in taking any of the following
5 actions on behalf of the agent:

6 (1) Give materially false or misleading information or
7 make a materially false promise or misrepresentation;

8 (2) Furnish anything of value to the athlete before the
9 athlete enters into the contract; or

10 (3) Furnish anything of value to an individual other than
11 the athlete or another registered athlete agent.

12 (b) An athlete agent shall not intentionally do any of the
13 following or encourage any other individual to do any of the
14 following on behalf of the agent:

15 (1) Initiate contact, directly or indirectly, with a
16 student athlete or, if the athlete is a minor, a
17 parent or guardian of the athlete, to recruit or
18 solicit the athlete, parent, or guardian to enter an
19 agency contract unless registered under this chapter;

20 (2) Fail to create, retain, or permit inspection of the
21 records required by section -13;



- 1 (3) Fail to register when required by section -4;
- 2 (4) Provide materially false or misleading information in
- 3 an application for registration or renewal of
- 4 registration;
- 5 (5) Predate or postdate an agency contract; or
- 6 (6) Fail to notify a student athlete or, if the athlete is
- 7 a minor, a parent or guardian of the athlete, before
- 8 the athlete, parent, or guardian signs an agency
- 9 contract for a particular sport that the signing may
- 10 make the athlete ineligible to participate as a
- 11 student athlete in that sport.
- 12 (c) A certified athlete agent may pay expenses of a
- 13 student athlete and the athlete's family members incurred before
- 14 the signing of an agency contract; provided that the expenses
- 15 are:
- 16 (1) For the benefit of an athlete who is a member of a
- 17 class of athletes authorized to receive the benefit by
- 18 the bona fide national association that certified the
- 19 agent;



1 (2) Of a type authorized to be paid by a certified agent
2 by the bona fide national association that certified
3 the agent; and

4 (3) For a purpose authorized by the bona fide national
5 association that certified the agent.

6 § -15 Criminal penalty. An athlete agent who violates
7 section -14 shall be guilty of a misdemeanor.

8 § -16 Civil remedy. (a) An educational institution or
9 student athlete may bring an action for damages against an
10 athlete agent if the institution or athlete is adversely
11 affected by an act or omission of the agent in violation of this
12 chapter. An educational institution or student athlete is
13 adversely affected by an act or omission of the agent only if,
14 because of the act or omission, the institution or an individual
15 who was a student athlete at the time of the act or omission and
16 enrolled in the institution:

17 (1) Is suspended or disqualified from participation in an
18 interscholastic or intercollegiate sports event by or
19 under the rules of a state or national federation or
20 association that promotes or regulates interscholastic
21 sports or intercollegiate sports; or



1 (2) Suffers financial damage.

2 (b) A plaintiff that prevails in an action under this
3 section may recover treble damages, punitive damages, costs, and
4 reasonable attorney's fees. An athlete agent found liable under
5 this section forfeits any right of payment for anything of
6 benefit or value provided to the student athlete and shall
7 refund any consideration paid to the agent by or on behalf of
8 the athlete.

9 (c) A violation of this chapter by the athlete agent shall
10 be an unfair or deceptive act or practice for purposes of
11 section 480-2.

12 § -17 **Civil penalty.** The director may assess a civil
13 penalty against an athlete agent not to exceed \$50,000 for a
14 violation of this chapter. Fines shall be deposited with the
15 director to the credit of the compliance resolution fund
16 pursuant to section 26-9(o). Unless otherwise expressly
17 provided, the remedies or penalties provided by this chapter are
18 cumulative to each other and to the remedies or penalties
19 available under all other laws of this State.

20 § -18 **Relation to Electronic Signatures in Global and**
21 **National Commerce Act.** This chapter modifies, limits, or



1 supersedes the Electronic Signatures in Global and National
2 Commerce Act, title 15 United States Code section 7001 et seq.,
3 but does not modify, limit, or supersede section 101(c) of that
4 Act, title 15 United States Code section 7001(c), or authorize
5 electronic delivery of any of the notices described in section
6 103(b) of that Act, title 15 United States Code section
7 7003(b)."

8 SECTION 3. Section 92-28, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "**§92-28 State service fees; increase or decrease of.** Any
11 law to the contrary notwithstanding, the fees or other nontax
12 revenues assessed or charged by any board, commission, or other
13 governmental agency may be increased or decreased by the body in
14 an amount not to exceed fifty per cent of the statutorily
15 assessed fee or nontax revenue, to maintain a reasonable
16 relation between the revenues derived from such fee or nontax
17 revenue and the cost or value of services rendered,
18 comparability among fees imposed by the State, or any other
19 purpose which it may deem necessary and reasonable; provided
20 that:



- 1 (1) The authority to increase or decrease fees or nontax
2 revenues shall be subject to the approval of the
3 governor and extend only to the following: chapters
4 36, 92, 94, 142, 144, 145, 147, 150, 171, 188, 189,
5 231, 269, 271, 321, 338, 373, 412, 414, 414D, 415A,
6 417E, 419, 421, 421C, 421H, 421I, 425, 425E, 428, 431,
7 436E, 436H, 437, 437B, 438, 439, 440, 440E, 441, 442,
8 443B, 444, 447, 448, 448E, 448F, 448H, 451A, 451J,
9 452, 453, 453D, 455, 456, 457, 457A, 457B, 457G, 458,
10 459, 460J, 461, 461J, 462A, 463, 463E, 464, 465, 465D,
11 466, 466D, 466K, 467, 467E, 468E, 468L, 468M, 469,
12 471, 472, [~~481E,~~] 482, 482E, 484, 485A, 501, 502, 505,
13 514B, 514E, 572, 574, and 846 (part II) and any board,
14 commission, program, or entity created pursuant to
15 title 25 and assigned to the department of commerce
16 and consumer affairs or placed within the department
17 for administrative purposes;
- 18 (2) The authority to increase or decrease fees or nontax
19 revenues under the chapters listed in paragraph (1)
20 that are established by the department of commerce and



1 consumer affairs shall apply to fees or nontax
2 revenues established by statute or rule;

3 (3) The authority to increase or decrease fees or nontax
4 revenues established by the University of Hawaii under
5 chapter 304A shall be subject to the approval of the
6 board of regents; provided that the board's approval
7 of any increase or decrease in tuition for regular
8 credit courses shall be preceded by an open public
9 meeting held during or prior to the semester preceding
10 the semester to which the tuition applies;

11 (4) This section shall not apply to judicial fees as may
12 be set by any chapter cited in this section;

13 (5) The authority to increase or decrease fees or nontax
14 revenues pursuant to this section shall be exempt from
15 the public notice and public hearing requirements of
16 chapter 91; and

17 (6) Fees for copies of proposed and final rules and public
18 notices of proposed rulemaking actions under chapter
19 91 shall not exceed 10 cents a page, as required by
20 section 91-2.5."



1 SECTION 4. Chapter 481E, Hawaii Revised Statutes, is
2 repealed.

3 SECTION 5. Statutory material to be repealed is bracketed
4 and stricken.

5 SECTION 6. This Act shall take effect on July 1, 2020.



Report Title:

Athlete Agents; Revised Uniform Athlete Agents Act; Student Athletes; DCCA

Description:

Repeals the existing Uniform Athlete Agents Act and replaces it with the Revised Uniform Athlete Agents Act, which applies to certain financial advisers and makes other changes to the Uniform Act to increase effectiveness and enforceability. (HB66 CD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

