House Study Bill 36 - Introduced

HOU	SE FILE
ВУ	(PROPOSED COMMITTEE
	ON JUDICIARY BILL BY
	CHAIRPERSON HOLT)

A BILL FOR

- $\ensuremath{\mathbf{1}}$ An Act relating to prohibited conduct by athlete agents and
- 2 making penalties applicable.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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- 1 Section 1. Section 9A.114, Code 2021, is amended to read as 2 follows:
- 3 9A.114 Prohibited conduct.
- 4 1. An athlete agent, with the intent to influence a student
- 5 athlete or, if the student athlete is a minor, the parent
- 6 or quardian of the student athlete, to enter into an agency
- 7 contract, shall not intentionally take any of the following
- 8 actions or encourage any other individual to take or assist
- 9 any other individual in taking any of the following actions on
- 10 behalf of the agent:
- ll a. 1. Give a student athlete or, if the athlete is a
- 12 minor, a parent or guardian of the athlete, materially false
- 13 or misleading information or make a materially false promise
- 14 or representation with the intent to influence the athlete,
- 15 parent, or guardian to enter into an agency contract.
- 16 θ . 2. Furnish anything of value to the a student athlete
- 17 before the athlete enters into the contract. or another
- 18 individual, if doing so may result in loss of the athlete's
- 19 eligibility to participate in the athlete's sport, unless all
- 20 of the following actions are taken:
- 21 c. Furnish anything of value to an individual other than the
- 22 athlete or another registered athlete agent.
- 23 2. An athlete agent shall not intentionally do any of the
- 24 following or encourage any other individual to do any of the
- 25 following on behalf of the agent:
- 26 a. The agent notifies the athletic director of the
- 27 educational institution at which the athlete is enrolled, or at
- 28 which the agent has reasonable grounds to believe the athlete
- 29 intends to enroll, not later than seventy-two hours after
- 30 furnishing the thing of value.
- 31 b. The student athlete or, if the athlete is a minor, a
- 32 parent or guardian of the athlete, acknowledges to the agent
- 33 in a record that receipt of the thing of value may result in
- 34 the loss of the athlete's eligibility to participate in the
- 35 athlete's sport.

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- 1 a. 3. Initiate contact, directly or indirectly, with a
- 2 student athlete or, if the athlete is a minor, a parent or
- 3 guardian of the athlete, to recruit or solicit the athlete,
- 4 parent, or guardian to enter an agency agreement unless
- 5 registered under this chapter.
- 6 <u>b. 4.</u> Fail to create, or retain, or to permit inspection of 7 the records required by section 9A.113.
- 8 ϵ . 5. Fail to register when required by section 9A.104.
- 9 d_{r} 6. Provide materially false or misleading information in
- 10 an application for registration or renewal of registration.
- 11 e. 7. Predate or postdate an agency contract.
- 12 f. 8. Fail to notify a student athlete or, if the athlete
- 13 is a minor, a parent or guardian of the athlete before the
- 14 athlete, parent, or guardian signs an agency contract for
- 15 a particular sport that the signing may make the athlete
- 16 ineligible result in the loss of the athlete's eligibility
- 17 to participate as a student athlete in that in the athlete's
- 18 sport.
- 19 9. Encourage another individual to take any of the actions
- 20 described in subsections 1 through 8 on behalf of the agent.
- 21 10. Encourage another individual to assist any other
- 22 individual in taking in any of the actions described in
- 23 subsections 1 through 8 on behalf of the agent.
- 24 EXPLANATION
- The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.
- 27 This bill relates to prohibited conduct by athlete agents
- 28 under Code chapter 9A.
- 29 The bill strikes language prohibiting an agent from
- 30 furnishing anything of value to a student athlete before the
- 31 athlete enters into an agency contract and also prohibiting
- 32 furnishing anything of value to an individual other than the
- 33 athlete or another registered athlete agent. The bill instead
- 34 prohibits furnishing anything of value to an athlete or another
- 35 individual, if doing so may result in loss of the athlete's

- 1 eligibility to participate in the athlete's sport, unless two
- 2 actions occur. The agent must notify the athletic director of
- 3 the educational institution at which the athlete is enrolled,
- 4 or at which the agent has reasonable grounds to believe the
- 5 athlete intends to enroll, not later than 72 hours after
- 6 furnishing the thing of value. The athlete or, if the athlete
- 7 is a minor, a parent or guardian of the athlete, must also
- 8 acknowledge to the agent in a record that receipt of the thing
- 9 of value may result in the loss of the athlete's eligibility to
- 10 participate in the athlete's sport.
- 11 The bill prohibits an agent from encouraging another
- 12 individual to engage in conduct prohibited for agents, or from
- 13 encouraging another individual to assist any other individual
- 14 in engaging in conduct prohibited for agents.
- The bill modifies prohibited conduct, other than giving
- 16 materially false or misleading information or making a
- 17 materially false promise or representation, by prohibiting
- 18 such conduct when engaged in intentionally, rather than with
- 19 the intent to influence an athlete or the athlete's parent or
- 20 guardian to enter into an agency contract.
- 21 By operation of law, a violation of these requirements by an
- 22 athlete agent is a serious misdemeanor. A serious misdemeanor
- 23 is punishable by confinement for no more than one year and a
- 24 fine of at least \$430 but not more than \$2,560. A violation
- 25 may also result in a civil action for damages, a civil penalty
- 26 of up to \$50,000, or the secretary of state refusing to
- 27 issue, limiting, suspending, revoking, or refusing to renew a
- 28 certificate of registration as an athlete agent.