

CHAPTER 7. ATHLETE AGENTS

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Example query for INSTA-CITE: IC 234 So.2d 794

Example query for Louisiana Constitution:

ISA. Const.La.Const. Const. Constitution /s 12 XII +3 13

Example queries for statute:

Revised Statutes:

14.24

Civil Code:

La.C.C. C.C. La.Civ.! "Civ Code" "Civil Code" /8 2046

Code of Civil Procedure:

La.C.C.P. C.C.P. Civ.P! C.Civ.Pl "Civil Procedure" /8 1972

Code of Criminal Procedure:

La.C.Cr.P. C.Cr.P. "Criminal Procedure" /8 873

Code of Juvenile Procedure:

C.J.P. "Juvenile Procedure" /8 84

Also, see the WESTLAW guide following the Preface pages of this volume.

Former Chapter 7, Endurance Contests, containing R.S. 4:421 to 4:427, was repealed by Acts 1985, No. 59, § 1.

§ 421. Definitions

A. As used in this Chapter:

(1) "Person" means an individual, company, corporation, association, partnership, or other legal entity.

(2) "Athlete agent" means a person who, directly or indirectly, recruits or solicits an athlete to enter into an agent contract or professional sport services contract with that person, or who for a fee procures, offers, promises, or attempts to obtain employment for an athlete with a professional sports team.

(3) "Agent contract" means any contract or agreement under which an athlete authorizes an athlete agent to negotiate or solicit on behalf of the athlete with one or more professional sports teams for the employment of the athlete by one or more professional sports teams.

(4) "Louisiana NCAA athlete" means an athlete who is enrolled at an institution of higher education that is located in this state who is eligible, or who is receiving partial or full athletic scholarship assistance and who may in the future be eligible, to participate in intercollegiate sports contests as a member of a sports team at the institution which is a member of the National Collegiate Athletic Association.

(5) "Louisiana non-NCAA athlete" means an athlete in a team sport who resides in this state who is not a Louisiana **NCAA** athlete.

(6) "Registered athlete agent" means an athlete agent registered with the secretary of state under the provisions of this Chapter.

(7) "Secretary" means the secretary of state.

B. For purposes of this Chapter, the execution by an athlete of a personal service contract with the owner or prospective owner of a professional sports team for the purpose of future athletic services is equivalent to employment with a professional sports team.

Added by Acts 1987, No. 925, § 1.

History and Source of Law

Former R.S. 4:421, prohibiting endurance contests continuing more than twenty-four hours, derived from Acts 1934, No. 205, § 1, was repealed by Acts 1985, No. 59, § 1.

Title of Act:

An Act to Enact Chapter 7 of Title 4 of the Louisiana Revised Statutes of 1950, consisting of R.S. 4:421 through 430; relative to the regu-

lation of athlete agents; to provide for regulation by the secretary of state; to provide for registration fees; to provide for contract and fee requirements; to prohibit certain activities; to provide for violations and penalties; to provide for rules; to provide for exceptions; and to provide for related matters. Acts 1987, No. 925.

Library References

Words and Phrases (Perm.Ed.)

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See **WESTLAW** guide following the Preface pages of this volume.

§ 422. Registration of agents

A. Unless an athlete agent is registered with the secretary of state as provided in this Chapter, an athlete agent shall not:

(1) Contact, directly or indirectly, a Louisiana NCAA athlete while the athlete is located in this state or while the athlete is out of this state, **if the** athlete's transportation was provided for or paid by the athlete agent; or

(2) Contact, directly or indirectly, a Louisiana non-NCAA athlete who has never signed a contract of employment with a professional sports team **while the** athlete is located in this state or while the athlete is out of this state, if the athlete's transportation was provided for or paid by the athlete agent.

B. A registered athlete agent may make those contacts only in accordance with this Chapter.

C. A written application for registration or renewal must be made to the secretary on a form prescribed by the secretary and must state:

(1) The name of the applicant and the address of the applicant's principal place of business.

(2) The business or occupation engaged in by the applicant for the five years immediately preceding the date of application.

(3) The names and addresses of three professional references.

(4) The names and addresses of all persons, except bona fide employees on stated salaries, who are financially interested as partners, associates, or profit sharers in the operation of the business of the athlete agent.

D. The registration is valid from July first of one year through June thirtieth of the following year. An initial registration is valid until the first June thirtieth following the date of the registration. Renewal of the registration may be made by the filing of an application for renewal.

E. To produce sufficient revenue to offset the expenses incurred by the secretary in administering this Chapter, an annual registration fee of one hundred dollars shall be paid by the athlete agent.

F. The secretary may, pursuant to an adjudicatory hearing, suspend or revoke a registration for a violation of this Chapter or any rule adopted pursuant to this Chapter.

Added by Acts 1987, No. 925, § 1.

History and Source of Law

Former R.S. 4:422, prohibiting more than one endurance contest at the same place within one hundred and sixty-eight hours, was derived from Acts 1934, No. 205, § 2, and was repealed by Acts 1985, No. 59, § 1.

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§ 423. Agent's contract; schedule of fees; maximum fee

A. Any agent contract to be used by a registered athlete agent with a Louisiana non-NCAA athlete who has never before signed a contract of employment with a professional sports team must be filed with the secretary.

B. The following provision must be printed on the face of the agent contract in prominent type: This athlete agent is registered with the secretary of state of the state of Louisiana. Registration does not imply approval or endorsement by the secretary of the specific terms and conditions of this contract or the competence of the athlete agent."

C. A registered athlete agent must file with the secretary a schedule of fees that the agent may charge to and collect from a Louisiana non-NCAA athlete who has never before signed a contract of employment with a professional sports team and must file a description of the various professional services to be rendered in return for each fee. The athlete agent may impose charges only in accordance with the fee schedule. Changes in the fee schedule may be made from time to time, but a change does not become effective until the seventh day after the date the change is filed with the secretary.

D. If a multiyear professional sport services contract is negotiated by a registered athlete agent for a Louisiana non-NCAA athlete who has never before signed a contract of employment with a professional sports team, unless the contract is fully guaranteed against both skill and injury, the athlete agent may not collect, in any twelve-month period, for the services of the agent in negotiating the contract, a fee that exceeds the amount the athlete will receive under the contract in that twelve-month period.

E. A registered athlete agent shall file with the secretary a copy of an agent contract made with a Louisiana non-NCAA athlete who has never before signed a contract of employment with a professional sports team. If the Louisiana non-NCAA athlete is a full-time student at an institution of higher education located in this state, the athlete agent also shall file the contract with the athletic director of the institution. **The contract must be filed not later than the fifth day after the date the contract is signed by the athlete.** An agent contract may be terminated by the athlete before the expiration of the tenth day after the date the contract has been filed as provided by this Section.

Added by Acts 1987, No. 925, § 1.

History and Source of Law

Former R.S. 4:423, prohibiting endurance contest contestants from engaging in a contest for more than twenty-four hours, was derived from Acts 1934, No. 205, § 3, and was repealed by Acts 1985, No. 59, § 1.

In subsec. B of this section as enacted in 1987 quotation marks were added following "agent" at the end of the subsection on authority of R.S. 24:253.

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§ 424. Prohibited activities

An athlete agent or an attorney licensed to practice law in Louisiana shall not:

(1) Sell, transfer, or give away any interest in or the right to participate in the profits of the athlete agent without the prior written disclosure to the secretary.

(2) Publish or cause to be published any false, fraudulent, or misleading information, representation, notice, or advertisement.

(3) Advertise by means of cards, circulars, or signs, or in newspapers and other publications, or use letterheads, receipts, or blanks unless the advertisement, letterhead, receipt, or blank is printed and contains the registered name and address of the athlete agent.

(4) Intentionally give any false information or intentionally make any false promises or representations to any Louisiana NCAA athlete or Louisiana non-NCAA athlete.

(5) Divide fees with **or** receive compensation from a professional sports league **or franchise, or** its representative or employee.

(6) Enter into any agreement, written or oral, by which the athlete agent offers anything of value, including the rendition of free or reduced-price legal services, to any employee of an institution of higher education located in this state in return for the referral of any clients by that employee.

(7) Offer anything of value, excluding reasonable entertainment expenses and transportation expenses to and from the athlete agent's registered principal place of business, to induce a Louisiana **non-NCAA** athlete who has never before signed a contract of employment with a professional sports team, to enter into an agreement, written or oral, by which the athlete agent will represent the athlete.

(8) Except as provided in R.S. **4:425**, enter into any agreement, written or oral, by which the registered athlete agent will represent the athlete, or give anything of value to a Louisiana NCAA athlete, until after completion of the athlete's last intercollegiate sports contest, including postseason games, and may not enter an agreement before the athlete's last intercollegiate **contest** that purports to take effect at a time after that contest is completed.

Added by Acts 1987, No. 925. § 1.

History and Source of Law

Former R.S. 4:424, prohibiting endurance contest contestants from engaging in more than one contest in one hundred and sixty-eight hours, was derived from Acts 1934, No. 205, § 4, and was repealed by Acts 1985, No. 59, § 1.

In this section as enacted in 1987 periods were substituted for semi-colons at the end of each numbered paragraph and "or" was deleted from the end of par. 7 on authority of R.S. 24:253.

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§ 425. On-campus agent interviews

If an institution of higher education located in this state elects to sponsor athlete agent interviews on its campus during the Louisiana NCAA athlete's final year of **NCAA** eligibility, a registered athlete agent or an attorney licensed to practice law in Louisiana may interview with the athlete to discuss his representation of the athlete in the marketing of the athlete's athletic ability or reputation. The registered athlete agent or attorney licensed to practice law in Louisiana shall strictly adhere to the specific rules of each separate electing institution with regard to the time, place, and duration of the registered athlete agent interviews. The interviews must be conducted in that final year during a period not to exceed thirty consecutive, days.

Added by Acts **1987, No. 925, § 1.**

History and Source of Law

Former **R.S. 4:425, providing for punishment for violations of Chapter 7 regulating endurance contests, was derived from** Acts 1934, No. 205, **§ 5,** and was **repealed by Acts 1985, No. 59, § 1.**

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§ 426. Violations; penalties

A. An athlete agent or an attorney licensed to practice law in Louisiana who violates the provisions of R.S. 4:422(A) or (B) is subject, pursuant to an adjudicatory hearing, to:

(1) Forfeiture of any right of repayment of anything of value either **received** by an athlete as an inducement to enter into any agent contract or received by a Louisiana NCAA athlete before completion of the athlete's last intercollegiate sports contest.

(2) Payment of a refund of any consideration paid to the athlete agent on an athlete's behalf.

(3) Payment of reasonable attorney's fees and court costs incurred by an athlete in suing an athlete agent for violation of this Chapter.

B. Any agent contract that is negotiated by an athlete agent or an attorney licensed to practice law in Louisiana who has failed to comply with this Chapter is void.

C. (1) A registered athlete agent or attorney licensed to practice law in Louisiana commits an offense if he knowingly or intentionally violates the provisions of R.S. **4:424.**

(2) An athlete agent commits an offense if the agent knowingly or intentionally violates the provisions of R.S. 4:422(A) or the provisions of R.S. **4:424.**

(3) An attorney licensed to practice law in Louisiana commits an offense if he knowingly or intentionally violates the provisions of R.S. **4:430.**

(4) A person commits an offense if he intentionally and knowingly either files a false sworn complaint or gives false sworn testimony concerning activities covered by this Chapter.

(5) Conviction of an offense under this Subsection, which is **declared a misdemeanor, shall be punishable by a fine of not more than ten thousand dollars, or by imprisonment of not more than one year, or both.**

Added by Acts 1987, No. 925, § 1.

History and Source of Law

Former RS. 4:426, providing for exceptions from the provisions of Chapter 7 regulating endurance contests, was derived from Acts 1934, No. 205, § 6, and was repealed by Acts 1985, No. 59, § 1.

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§ 427. Records to be kept

A. An **athlete agent or attorney licensed to practice law in Louisiana shall keep records of travel, entertainment, and other expenses incurred by the athlete agent or by the attorney licensed to practice law in Louisiana who is acting as an athlete agent which adequately describe the:**

- (1) Nature of the expenditure.
- (2) Dollar amount of the expenditure.
- (3) Purpose of the expenditure.
- (4) Date and place of the expenditure.
- (5) Person or persons in whose behalf the expenditure was made.

B. The records required to be kept by this Section shall be retained for not **less** than five years by the athlete agent or the attorney licensed to practice law in Louisiana.

C. (1) The records provided for in this Section shall be subject **to subpoena in case of a criminal investigation of the activities of the athlete agent or of the activities of the attorney licensed to practice law in Louisiana.**

(2) The records provided for in this **Section** shall be disclosed pursuant to a court order obtained by an athlete who is named in the record, an institution of higher education that is located in this state which is named in the record, and the athletic conference of which the institution is a member, or the National Collegiate Athletic Association. Any **such disclosure shall be made only to the extent necessary to determine or establish that a violation of this Chapter has occurred.**

Added by Acts 1987, No. 925, § 1.

History and Source of Law

Former R.S. 4:427, declaring places where endurance contests were held in violation of Chapter 7, regulating such contests, to be public nuisances, and providing for injunctive relief and abatement, was derived from Acts 1934, No. 205, §§ 7, 8, and was repealed by Acts 1985, No. 59, § 1.

In this section as enacted in 1987 a comma was inserted following "entertainment" in the introductory paragraph of subsec. A, and "for" was inserted following "provided" in pars. C(1) and C(2), all on authority of R.S. 24:253.

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§ 428. Implementing rules and regulations

The secretary may adopt rules in accordance with the Administrative Procedure Act necessary to carry out the provisions of this Chapter.

Added by Acts 1987, No. 925, § 1.

§ 429. Time for registration and compliance with Chapter

An athlete agent is not required to be registered and is not required to comply with this Chapter until October 1, 1987.

Added by Acts 1987, NO. 925, § 1.

§ 430. Attorneys licensed in state: subject to Chapter requirements and penalties: exceptions

A. An attorney licensed to practice law in Louisiana who acts as an athlete agent in his practice of law, hereinafter "attorney", shall be subject to the requirements and penalties of this Chapter except as provided in this Section.

B. An attorney shall not be required to register with the secretary of state or pay a registration fee as provided in this Chapter. An attorney shall notify the Louisiana State Bar Association, in writing, of his intention to act as an athlete agent in his practice of law.

C. An attorney shall not be required to file a copy of any contract with the secretary of state as provided in this Chapter.

D. An attorney shall retain records as provided for in this Chapter and shall comply with all the requirements and prohibitions of this Chapter except as specifically provided otherwise in this Section.

RS. 4:430

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E. An attorney shall be subject to the penalties provided in this Chapter for violations of this Chapter.

Added by Acts 1987, No. 925, §1.

History and Source of Law

In subsec. D of this section as enacted in 1987 “for” was inserted following “provided” on authority of RS. 24:253.

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