

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** House Bill 2633

**PRINTER NO.** 3593

**AMOUNT**

See Fiscal Impact

**FUND**

State Athletic Commission  
Augmentation Account

**DATE INTRODUCED**

May 31, 2022

**PRIME SPONSOR**

Representative Topper

**DESCRIPTION**

House Bill 2633 amends Title 5 (Athletes and Agents) by repealing the Uniform Athlete Agent Act and establishes the Revised Uniform Athlete Agent Act as a new Chapter 35 (Athlete Agents). The legislation was also amended to repeal Article XX-K (Intercollegiate Athletes) of the Public School Code, commonly referred to as the Name, Image or Likeness Law and reestablishes it as a new Chapter 37 (Intercollegiate Athletics) in Title 5 with revisions.

Uniform Revised Athlete Agent Act -- The legislation clarifies that an employee of a secondary or post-secondary school acting on behalf of a student athlete enrolled at the school is not considered an athlete agent so long as the employee is acting within the scope of their employment. It directs student athletes and athlete agents to give notice in a record of the existence of an agency contract to the State Athletic Commission (commission) and educational institution within 72 hours of entering into the contract. It requires the commission to develop and maintain a database for all registrations of athlete agents and make the information available on its internet website. It also makes various technical changes.

Intercollegiate Athletics -- The legislation clarifies that a contract between a college student athlete and an athlete agent must include a statement that the contract does not obligate the college student athlete to use the athlete agent for any service beyond professional representation in relation to the use of the name, image or likeness. It stipulates that a college student athlete must disclose the contents of a name, image and likeness contract to an official of the institution prior to the execution of the contract. It requires each institution to have a policy that specifies how far in advance the contents of the contract must be disclosed. It provides that if an institution receives direct financial compensation from a third party arising from the third party's contract with a college student athlete relating to the use of the college student athlete's name, image or likeness, the institution must disclose the financial relationship between the institution and third party to the college student athlete. It removes the exemption for financial advisors to serve as athlete agents. It also makes various technical changes.

The legislation is scheduled to take effect immediately.

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## **FISCAL IMPACT:**

The Department of State anticipates enactment of House Bill 2633 will result in a slight increase (20 to 30) in the number of athlete agents registering with the commission as financial advisors that were exempted from acting as athlete agents under Article XX-K of the Public School Code for the purposes of name, image or likeness contracts and that will now be required to register with the commission. The department estimates that the additional registrations will generate between \$4,200 to \$5,800 annually in fees to be deposited in the State Athletic Commission Augmentation Account.