
Wisconsin Legislative Council

ACT MEMO



Prepared by: Dan Schmidt, Deputy Director

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2019 Wisconsin Act 180
[2019 Senate Bill 117]

Revised Uniform Athlete Agents Act

CURRENT LAW

Under current law, subch. XIV, ch. 440, Stats., also known as the Uniform Athlete Agents Act (UAAA), regulates the relationships between athletes and their agents.

2019 WISCONSIN ACT 180

2019 Wisconsin Act 180 is the Revised Uniform Athletes Agent Act (RUAAA), as created by the Uniform Law Commission. It makes a number of changes to the current UAAA as expressed in subch. XIV, ch. 440, Stats. A summary of these changes follows.

Expanded Definition of the Term “Athlete Agent”

Under current law, the term “athlete agent” generally includes an individual who does any of the following:

- Enters into an agency contract with a student athlete.
- Recruits or solicits a student athlete to enter into an agency contract.
- Represents to the public that he or she is an athlete agent.

However, current law specifies that family members are not considered athlete agents, and that the term also does not apply to an individual who acts solely on behalf of a professional sports team or organization, or who provides information to a student athlete but does not recruit or solicit the student athlete to enter an agency contract.

The RUAAA modifies the definition of “athlete agent” by removing the provision applying it to an individual representing themselves as an athlete agent to the public. However, in general, the RUAAA would have the effect of expanding the definition of “athlete agent” as compared to current law. The RUAAA removes the exception for family members—meaning that a parent, spouse, etc., could be considered an athlete agent if they otherwise meet the definition of the term. Also, in the place of the basic definition described above, the RUAAA creates an expanded definition including all of the following individuals:

- Any individual who, for compensation, procures employment or offers, promises, attempts, or negotiates to obtain employment for a student athlete as a professional athlete or member of a professional team.
- Any individual who, for compensation or expected compensation, serves the athlete in an advisory capacity regarding certain finances, business pursuits, or career management decisions.

- Any individual who, for compensation or expected compensation, manages the athlete's business affairs by providing assistance with bills, payments, contracts, or taxes.
- Any individual who, in anticipation of representing the student athlete, gives consideration or advises the athlete on finances, business pursuits, or career management decisions.

Notwithstanding the above, the RUAAA would continue to apply the exception that exists under current law for an individual who acts solely on behalf of a professional sports team or organization. Under the RUAAA, as well as current law, an individual within that exception is not considered an athlete agent, even if they otherwise meet the definition of the term.

In addition, the RUAAA would include a new exception that provides an individual is not an athlete agent if he or she is a licensed professional who provides services that are customarily provided as part of that profession, except that this exception will not apply to an individual who does any of the following:

- Recruits or solicits the athlete to enter into an agency contract.
- For compensation, procures employment or offers, promises, attempts, or negotiates to obtain employment for the person as a professional athlete.
- Receives payment for the services calculated using a different method than for an individual who is not a student athlete.

Athlete Agent Registration and Reciprocity

The RUAAA creates new requirements related to athlete agent registration and reciprocity. Applicants are required to disclose certain information to the Department of Safety and Professional Services (DSPS), which is the state agency responsible for processing applications for agent licensure. The disclosure must include the following information, which is not currently required to be provided for an athlete agent application: (1) each social media account with which the applicant or applicant's business or employer is affiliated; (2) any civil proceeding in which the applicant was a defendant in the past 17 years; (3) any unsatisfied legal judgment; (4) any bankruptcy in the prior 10 years; and (5) any other state, professional league, or players association by which the applicant is certified or registered.

In addition, the RUAAA updates certain current provisions related to licensing reciprocity with other states. Under current Wisconsin law, athlete agents may obtain reciprocity by providing a copy of the original application that was submitted to the other state. The application must have been submitted to the other state within the prior six months, must contain information substantially similar or more comprehensive than what Wisconsin requires, and must have been signed under penalty of perjury.

The RUAAA contains a similar provision that would allow reciprocity for an individual in good standing in another state, if the laws in the other state are the same or more restrictive. However, the RUAAA would not require the out-of-state application to have been submitted within the prior six months. In addition, the RUAAA would require DSPS to develop a common registration form with other states and to exchange disciplinary information in applicable cases.

Newly Defined Terms

The RUAAA adds definitions of the following terms, which are not currently defined under Wisconsin law: "educational institute," "recruit or solicit," "enrolled," and "sign." The stated purpose of including these definitions is to add clarity and provide additional guidance where the act was previously silent.

Additional Agency Contract Requirements

Under the RUAAA, all agency contracts must specify the states in which the agent is registered, and must also be accompanied by a separate record signed by the student athlete acknowledging that signing the contract may make the athlete ineligible to participate in the sport. If the student is a minor, the parent or guardian must also sign the contract. These requirements do not exist in current Wisconsin law.

Notice to Educational Institutions

The RUAAA requires an athlete agent to notify the educational institution before contacting a student athlete. It also requires an athlete agent to notify the educational institution of a preexisting relationship with a student athlete who receives an athletic scholarship if the agent knows or should have known about the enrollment, and the agent either recruited or solicited the student to enter into an agency contract or intended to do so. These requirements do not exist in current Wisconsin law.

Prohibited Conduct

Under current Wisconsin law, an athlete agent is prohibited from engaging in certain conduct with the intent to induce a student athlete to enter into an agency contract. The conduct that is prohibited includes furnishing items of value, or giving false or misleading information. The RUAAA expands this provision to include contracts with a parent or guardian, in a case where the student athlete is a minor. Also, the RUAAA would specifically prohibit an individual from encouraging or assisting any other individual in violating the statute. Finally, the RUAAA would also create a new exception to these rules applicable to student athletes who are exploring the possibility of going professional. Under the new exception, the RUAAA would allow an athlete agent to pay for certain expenses incurred by a student athlete and their family in connection with the agent selection process, while retaining college eligibility. The allowable expenses would include such items as meals, hotel, and travel, but these must be within certain limits specified in the act, which conform to the current bylaws of the NCAA.

Civil Actions

Under current Wisconsin law, educational institutions may bring an action against an athlete agent for damages caused by violations of the statute. The RUAAA expands this provision to also give student athletes standing to bring such actions. The RUAAA also specifies that the action may only be brought if the institution or athlete is “adversely affected,” which is defined to mean suspended or disqualified from playing, or having suffered financial damages.

Effective date: July 1, 2020

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