**South Carolina General Assembly**

125th Session, 2023-2024

**H. 3501**

**STATUS INFORMATION**

General Bill

Sponsors: Rep. W. Newton

Document Path: LC-0001WAB23.docx

Introduced in the House on January 10, 2023

Introduced in the Senate on May 3, 2023

Currently residing in the Senate Committee on **Education**

Summary: Uniform Athlete Agents Act

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

12/8/2022 House Prefiled

12/8/2022 House Referred to Committee on **Education and Public Works**

1/10/2023 House Introduced and read first time ([House Journal‑page 190](h:\hj\20230110.docx))

1/10/2023 House Referred to Committee on **Education and Public Works** ([House Journal‑page 190](h:\hj\20230110.docx))

4/26/2023 House Committee report: Favorable **Education and Public Works** ([House Journal‑page 6](h:\hj\20230426.docx))

5/2/2023 House Read second time ([House Journal‑page 27](h:\hj\20230502.docx))

5/2/2023 House Roll call Yeas-114 Nays-0 ([House Journal‑page 28](h:\hj\20230502.docx))

5/3/2023 House Read third time and sent to Senate ([House Journal‑page 22](h:\hj\20230503.docx))

5/3/2023 Senate Introduced and read first time ([Senate Journal‑page 9](h:\sj\20230503.docx))

5/3/2023 Senate Referred to Committee on **Education** ([Senate Journal‑page 9](h:\sj\20230503.docx))

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=3501&session=125&summary=B)  at the website

**VERSIONS OF THIS BILL**

[12/08/2022](https://www.scstatehouse.gov/sess125_2023-2024/prever/3501_20221208.docx)

[04/26/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/3501_20230426.docx)

Indicates Matter Stricken

Indicates New Matter

Committee Report

April 26, 2023

H. 3501

Introduced by Rep. W. Newton

S. Printed 04/26/23--H.

Read the first time January 10, 2023

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The committee on House Education and Public Works

To who was referred a Bill (H. 3501) to amend the South Carolina Code of Laws by amending Section 59‑102‑140, relating to prohibited acts of athlete agents, so as to provide certified athlete agents, etc., respectfully

Report:

That they have duly and carefully considered the same, and recommend that the same do pass:

SHANNON ERICKSON for Committee.

statement of estimated fiscal impact

Explanation of Fiscal Impact

State Expenditure

This bill amends Section 59-102-140, under the Uniform Athlete Agent Act of 2018, to allow a certified athlete agent to pay eligible expenses incurred before the signing of an agency contract by a student athlete or other authorized person. The bill provides that payments for expenses by certified athlete agents are allowed if the expenses are for the benefit of an authorized athlete, of a type authorized to be paid by a certified agent, and for a purpose authorized by the national association that certified the agent. The bill defines “certified athlete agents” as athlete agents registered under the provisions of the chapter who are certified to be an athlete agent by a national association that promotes or regulates intercollegiate athletics and establishes eligibility standards for participation by a student athlete in their respective sport.

State Institutions of Higher Learning. This bill amends code related to the regulation of student athlete agents. RFA surveyed all public IHLs in the state, and according to responses from the College of Charleston, USC, FMU, the Citadel, Clemson, and CCU, any requirements of student athletes or athletic departments as a result of the bill will be minimal and managed under current budgets.

Commission on Higher Education. This bill amends code related to the regulation of student athlete agents. This bill does not contain any additional requirements of CHE, and therefore, this bill will have no expenditure impact on the agency.

Department of Consumer Affairs. Under the Uniform Athlete Agent Act of 2018, DCA may perform an inspection of the records required to be maintained by athlete agents. This bill does not alter the record maintenance requirement of the athlete agents or the ability of DCA to perform these inspections. Therefore, this bill will have no expenditure impact on DCA.

Judicial. This bill amends Section 59-102-140, under the Uniform Athlete Agent Act of 2018, to allow a certified athlete agent to pay eligible expenses incurred before the signing of an agency contract by a student athlete or other authorized person. Under the act, an athlete agent in violation of this code section is guilty of a misdemeanor and, upon conviction, may be fined up to $10,000 or imprisoned for up to three years, or both. According to Judicial, there were no charges brought for violations of this section in CY 2022. This bill expressly allows certified athlete agents to pay authorized expenses and is not expected to result in additional violations. Therefore, this bill will have no impact on the caseload for General Sessions court and will result in no expenditure impact for Judicial.

State Revenue

This bill amends Section 59-102-140, under the Uniform Athlete Agent Act of 2018, to allow a certified athlete agent to pay eligible expenses incurred before the signing of an agency contract by a student athlete or other authorized person. Under the act, an athlete agent in violation of this code section is guilty of a misdemeanor and, upon conviction, may be fined up to $10,000 or imprisoned for up to three years, or both. According to Judicial, there were no charges brought for violations of this section in CY 2022. This bill expressly allows certified athlete agents to pay authorized expenses and is not expected to result in additional violations. Therefore, this bill will have no impact on court fines and fees revenue.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

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A bill

to amend the South Carolina Code of Laws by amending Section 59‑102‑140, relating to PROHIBITED ACTS OF ATHLETE AGENTS, so as to PROVIDE CERTIFIED ATHLETE AGENTS MAY PAY CERTAIN EXPENSES INCURRED BEFORE THE SIGNING OF AGENCY CONTRACTS BY STUDENT ATHLETES, FAMILY MEMBERS OF STUDENT ATHLETES, AND INDIVIDUALS OR CLASSES OF INDIVIDUALS AUTHORIZED TO RECEIVE SUCH PAYMENTS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 59‑102‑140 of the S. C. Code is amended to read:

Section 59‑102‑140. (A) An Except as provided in subsection (C), an athlete agent, with the intent to induce a student athlete or, if the student athlete is a minor, a parent or guardian of the student athlete to enter into an agency contract, may not take any of the following actions or encourage another person to take or assist another person in taking any of the following actions on behalf of the athlete agent:

(1) give materially false or misleading information or make a materially false promise or representation;

(2) furnish anything of value to a student athlete before the student athlete enters into the agency contract; or

(3) furnish anything of value to an individual other than the student athlete or another registered athlete agent.

(B) An athlete agent may not intentionally do any of the following or encourage another person to do any of the following on behalf of the athlete agent:

(1) initiate contact, directly or indirectly, with a student athlete or, if the student athlete is a minor, a parent or guardian of the student athlete to recruit the student athlete, parent, or guardian to enter an agency contract unless registered pursuant to this chapter;

(2) refuse or fail to retain or permit inspection of records pursuant to Section 59‑102‑130;

(3) fail to register as required by Section 59‑102‑40;

(4) provide materially false or misleading information in an application for registration or renewal of registration;

(5) predate or postdate an agency contract; or

(6) fail to notify a student athlete or, if the student athlete is a minor, a parent or guardian of the athlete before the student athlete, parent, or guardian signs or otherwise authenticates an agency contract for a particular sport that the signing or authentication may make the student athlete ineligible to participate as a student athlete in that sport.

(C)(1) As used in this subsection, “certified athlete agent” means an athlete agent registered under the provisions of this chapter who also is certified to be an athlete agent in a particular sport by a national association that promotes or regulates intercollegiate athletics and establishes eligibility standards for participation by a student athlete in that sport.

(2) A certified athlete agent may pay expenses incurred before the signing of an agency contract by a student athlete, a family member of a student athlete, and an individual of a class of individuals authorized to receive the expenses by the national association that certified the agent if the expenses are:

(a) for the benefit of an athlete who is a member of a class of athletes authorized to receive the benefit by the national association that certified the agent;

(b) of a type authorized to be paid by a certified agent by the national association that certified the athlete agent; and

(c) for a purpose authorized by the national association that certified the agent.

SECTION 2. This act takes effect upon approval by the Governor.

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