

OCCUPATIONS CODE

TITLE 13. SPORTS, AMUSEMENTS, AND ENTERTAINMENT

SUBTITLE B. SPORTS

CHAPTER 2051. ATHLETE AGENTS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 2051.001. DEFINITIONS. In this chapter:

(1) "Agent contract" means a contract or an agreement under which an athlete authorizes an athlete agent to negotiate for employment on behalf of the athlete with a professional sports team.

(2) "Athlete" means an individual who:

(A) is eligible to participate in intercollegiate sports contests as a member of a sports team or as an individual competitor in a sport at an institution of higher education; or

(B) has participated as a member of an intercollegiate sports team or as an individual competitor in an intercollegiate sport at an institution of higher education and has never signed an employment contract with a professional sports team.

(3) "Athlete agent" means an individual who:

(A) for compensation, directly or indirectly recruits or solicits an athlete to enter into an agent contract, a financial services contract, or a professional sports services contract with that individual or another person; or

(B) for a fee, procures, offers, promises, or attempts to obtain employment for an athlete with a professional sports team.

(4) "Financial services contract" means a contract or an agreement under which an athlete authorizes the athlete agent to perform financial services for the athlete, including making and executing investment and other financial decisions for the athlete.

(5) "Institution of higher education" means an institution of higher education or a private or independent institution of higher education, as defined by Section [61.003](#),

Education Code, that is a member of a national association for the promotion and regulation of intercollegiate athletics.

(5-a) "National professional sports association" means an organization that licenses or certifies athlete agents to represent athletes in a particular professional sport. The term includes the National Football League Players Association, National Basketball Players Association, Major League Baseball Players Association, National Hockey League Players' Association, and United States Soccer Federation.

(6) "Schedule of fees" includes the fees and percentages charged by an athlete agent for professional services performed for an athlete.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 1, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 1, eff. September 1, 2011.

Sec. 2051.002. PARTICIPATION IN INTERCOLLEGIATE SPORTS CONTESTS. An athlete is not eligible to participate in intercollegiate sports contests if the athlete:

(1) declares that the athlete is eligible for recruitment by a professional sports team; or

(2) has concluded, in the athlete's final year of eligibility, the athlete's final intercollegiate sports contest, as determined by the governing body of the national association for the promotion and regulation of intercollegiate athletics of which the athlete's institution of higher education is a member.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 2, eff. Sept. 1, 2003.

Sec. 2051.003. EFFECT OF PERSONAL SERVICE CONTRACT. In this chapter, a personal service contract between an athlete and the owner or prospective owner of a professional sports team in which the athlete agrees to perform future athletic services constitutes employment with a professional sports team.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.004. ATHLETE AGENT CONTACT. (a) An athlete agent may contact an athlete only as provided by this chapter.

(b) Except as provided by Subsection (c), an athlete agent may contact a person who declares that the person is eligible for recruitment by a professional sports team.

(c) If a person eligible for recruitment by a professional sports team later becomes eligible to participate in intercollegiate sports, an athlete agent may contact the person only as provided by this chapter.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.005. CERTAIN PROFESSIONAL SERVICES EXEMPT. This chapter does not apply to a person who directly or indirectly recruits or solicits an athlete to enter into a contract with the person in which, for compensation, the person performs financial services for the athlete if:

(1) the person is licensed or registered by the state as:

(A) a dealer, agent, investment adviser, or investment adviser representative;

(B) a real estate broker or salesperson;

(C) an insurance agent; or

(D) another professional;

(2) the financial services performed by the person are of a type that are customarily performed by a person licensed in that profession; and

(3) the person does not:

(A) recruit or solicit the athlete to enter into an agent contract or a professional services contract on behalf of the person, an affiliate, a related entity, or a third party; or

(B) procure, offer, promise, or attempt to obtain for the athlete employment with a professional sports team.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2001, 77th Leg., ch. 1091, Sec. 4.04, eff. Sept. 1, 2001.

Sec. 2051.006. UNIFORMITY OF APPLICATION AND CONSTRUCTION.

In applying this chapter, consideration must be given to the need to promote uniformity of the law among states that have enacted similar laws.

Added by Acts 2003, 78th Leg., ch. 821, Sec. 3, eff. Sept. 1, 2003.

SUBCHAPTER B. POWERS AND DUTIES OF SECRETARY OF STATE

Sec. 2051.051. ADMINISTRATION OF CHAPTER. (a) The secretary of state shall:

- (1) actively enforce this chapter;
- (2) set reasonable and necessary fees for the administration of this chapter; and
- (3) conduct investigations necessary to ensure compliance with this chapter.

(b) The secretary may adopt rules necessary to administer this chapter.

(c) Fees shall be set in an amount to cover the costs of administering this chapter.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.052. PUBLICATION OF COMPLIANCE RESPONSIBILITIES.

(a) The secretary of state shall publish on the secretary of state's Internet website information that prescribes the compliance responsibilities of an institution of higher education under this chapter.

(b) The secretary shall notify the athletic director or other appropriate official of each institution of higher education of any change to the compliance responsibilities of the institution under this chapter.

(c) The secretary shall, as necessary, update the compliance responsibilities materials.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 2, eff. September 1, 2011.

SUBCHAPTER C. REGISTRATION

Sec. 2051.101. REGISTRATION REQUIRED. (a) Except as provided by Subsection (b), an individual may not act as an athlete agent in this state or represent that the individual is an athlete agent in this state unless the individual holds a certificate of registration under this chapter as:

- (1) a professional athlete agent; or
- (2) a limited athlete agent.

(a-1) An individual may not register as a professional athlete agent under this chapter unless the individual is certified as an agent by a national professional sports association.

(a-2) An individual who is not certified as an agent by a national professional sports association may register only as a limited athlete agent. A limited athlete agent may only represent an athlete in a sport that does not have a national professional sports association.

(b) Before the issuance of a certificate of registration under this chapter, an individual may act as an athlete agent in this state for all purposes except signing an agent contract, if:

(1) an athlete or a person acting on behalf of the athlete initiates communication with the individual; and

(2) within seven days after the date of the initial act as an athlete agent, the individual submits an application for registration under this chapter.

(c) An agent contract negotiated by an unregistered athlete agent is void.

(d) An agent contract with an athlete in a sport for which there is a national professional sports association is void if the contract is negotiated by an athlete agent holding a limited certificate of registration.

(e) A person who is not an individual may not register as an athlete agent in this state.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 4, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 3, eff. September 1, 2011.

Sec. 2051.102. APPLICATION REQUIREMENTS. (a) Except as provided by Subsection (e), an applicant for registration as an athlete agent must apply on a form prescribed by the secretary of state.

(b) An applicant must provide information required by the secretary of state, including:

(1) the applicant's:

(A) name;

(B) principal business address;

(C) business or occupation for the five years immediately preceding the date of application; and

(D) formal training, practical experience, and educational background relating to the applicant's professional activities as an athlete agent;

(2) the name, sport, and last known team for each person the applicant represented as an athlete agent during the five years immediately preceding the date of application;

(3) whether the applicant or a person described by Subdivision (5) has been subject to any of the following:

(A) a conviction of a crime that in this state is a Class A or Class B misdemeanor, a felony, or a crime of moral turpitude;

(B) an administrative or a judicial determination finding the applicant or other person made a false, misleading, deceptive, or fraudulent representation;

(C) a sanction or suspension related to occupational or professional conduct;

(D) a denial of an application for a certificate of registration or license as an athlete agent; or

(E) a denial, revocation, or suspension of a certificate of registration or license as an athlete agent;

(4) whether the applicant or a person described by Subdivision (5) has engaged in conduct resulting in the imposition on an athlete or educational institution of a sanction, suspension, or declaration of ineligibility to participate in an interscholastic or intercollegiate athletic event;

(5) except as provided by Subsection (d), the name and address of each person, except a bona fide employee on salary, who is financially interested as a partner, associate, or profit sharer in the applicant's business; and

(6) the name and address of each national professional sports association that has certified the applicant as an agent.

(c) An application shall include the names and addresses of three professional references.

(d) If an applicant is a member of the State Bar of Texas, the application information required under Subsection (b)(5) must include the name and address of each person who is involved in the activities of the athlete agent. This subsection does not require an applicant to state the name and address of a member of a law firm or professional corporation who is not involved in the business of the athlete agent.

(e) An individual seeking certification as an athlete agent under this chapter who holds a certificate of registration or license as an athlete agent in another state may submit a copy of the previous application and certificate or license instead of submitting the application required by this section. The secretary of state shall accept the application and the certificate or license from the other state as an application for registration in this state if the application to the other state:

(1) was submitted to the other state not earlier than the 180th day before the date the application is submitted in this state and the applicant certifies that the information contained in the application is current;

(2) contains information substantially similar to or more comprehensive than the information required by this section; and

(3) was signed by the applicant under penalty of perjury.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 5, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 4, eff. September 1, 2011.

Sec. 2051.105. DENIAL OF APPLICATION. (a) The secretary of state shall deny an application for registration if the applicant has been convicted of:

- (1) a felony; or
- (2) a misdemeanor involving moral turpitude.

(b) The secretary of state may deny an application for registration if the secretary of state determines the applicant has engaged in conduct that has a significant adverse effect on the applicant's fitness to act as an athlete agent. In making the determination, the secretary of state may consider whether the applicant has:

- (1) made a materially false, misleading, deceptive, or fraudulent representation in the application or as an athlete agent;

- (2) engaged in conduct that would disqualify the applicant from serving in a fiduciary capacity;

- (3) engaged in conduct prohibited by Section [2051.351](#);

- (4) had a registration or licensure as an athlete agent denied, suspended, or revoked;

- (5) been denied renewal of registration or licensure as an athlete agent in any state;

- (6) engaged in conduct that resulted in the imposition on an athlete or educational institution of a sanction, suspension, or declaration of ineligibility to participate in an interscholastic or intercollegiate athletic event; or

- (7) engaged in conduct that adversely reflects on the applicant's credibility, honesty, or integrity.

(c) In making a determination under Subsection (b), the secretary of state shall consider:

- (1) how recently the conduct occurred;

- (2) the nature of the conduct and the context in which it occurred; and

- (3) any other relevant conduct of the applicant.

(d) Judicial review of a denial of an application for registration under Subsection (a) or (b) is by trial de novo and is subject to Section [2001.173](#), Government Code.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 6, eff. Sept. 1, 2003.

Sec. 2051.106. TEMPORARY OR PROVISIONAL REGISTRATION. The secretary of state may issue a temporary or provisional certificate of registration that is valid for not more than 90 days to an applicant for registration or renewal of registration if the applicant's application has been made and the registration process has not been completed.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.107. REGISTRATION DURATION; EXPIRATION. (a) Except as provided by Subsection (b), a certificate of registration issued under this chapter is valid for a period of not more than one year from the date of issuance.

(b) The secretary of state, by rule, may adopt a system under which certificates of registration expire on various dates during the year.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.108. REGISTRATION RENEWAL. (a) Except as provided by Subsection (e), an applicant for renewal of registration must apply on a form prescribed by the secretary of state.

(b) A renewal application must include:

(1) the name, address, and telephone number of each athlete for whom the athlete agent is performing professional services for compensation on the date of the renewal application;

(2) the name, address, and telephone number of each athlete for whom the athlete agent has performed professional services for compensation during the three years immediately preceding the date of the renewal application but for whom the athlete agent is not performing professional services on the date of the renewal application;

(3) the name and address of each national professional sports association by which the athlete agent is currently certified; and

(4) any other information prescribed by the secretary of state.

(c) A renewal application under this section must be accompanied by an appropriate renewal fee.

(d) If a certificate of registration expires earlier than the anniversary of the date of issuance, the renewal fee that must accompany a renewal application under this section shall be prorated according to the number of months that the registration is valid.

(e) An individual who has submitted an application for renewal of registration or licensure as an athlete agent in another state may submit a copy of the application and certificate of registration or license from the other state instead of submitting the application required by this section. The secretary of state shall accept the application for renewal from the other state as an application for renewal under this section if the application to the other state:

(1) was submitted to the other state not earlier than the 180th day before the date the renewal application is submitted in this state and the applicant certifies that the information contained in the application is current;

(2) contains information substantially similar to or more comprehensive than the information required by this section; and

(3) was signed by the applicant under penalty of perjury.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 7, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 5, eff. September 1, 2011.

Sec. 2051.109. CONTINUING NOTIFICATION REQUIREMENT. (a) A registered athlete agent shall notify the secretary of state in writing of the athlete agent's:

(1) conviction of a crime that in this state is an offense other than a Class C misdemeanor; or

(2) decertification as an agent by a national professional sports association that has become final by the conclusion of the appeal process provided by the association.

(b) The athlete agent shall notify the secretary of state as required under this section not later than 30 days after the date of conviction or the date that the decertification becomes final.

Added by Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. 1123), Sec. 6, eff. September 1, 2011.

Sec. 2051.110. EFFECT OF DECERTIFICATION BY PROFESSIONAL ASSOCIATION. The secretary of state shall revoke the certificate of registration of an athlete agent decertified by a national professional sports association.

Added by Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. 1123), Sec. 6, eff. September 1, 2011.

SUBCHAPTER D. ATHLETE AGENT BOND

Sec. 2051.151. BOND DEPOSIT. (a) An athlete agent shall, before contacting an athlete or entering into an agent contract with an athlete in this state, deposit with the secretary of state a surety bond, in the amount of \$50,000, payable to the state and conditioned on:

(1) the athlete agent complying with this chapter;

(2) the payment of any administrative penalty assessed under Subchapter J; and

(3) the payment of any damages awarded to an institution of higher education or an athlete as a result of the athlete agent offering or providing a thing of value to an athlete or a family member of the athlete.

(a-1) An athlete agent shall, before entering into a financial services contract with an athlete, deposit with the secretary of state a surety bond, in the amount of \$100,000, payable to the state and conditioned on:

(1) the athlete agent complying with this chapter;

(2) the payment of money owed to an individual or group of individuals when the athlete agent or the athlete agent's

representative or agent receives the money; and

(3) the payment of damages to an athlete caused by the intentional misrepresentation, fraud, deceit, or unlawful or negligent act or omission of the athlete agent or of the athlete agent's representative or employee while acting within the scope of the financial services contract.

(b) An athlete agent shall maintain a bond deposited under Subsection (a) or (a-1) for not less than two years after the later of:

(1) the date that the athlete agent ceases to provide financial services to an athlete; or

(2) the date that the athlete agent's certificate of registration expires or is revoked.

(c) This section does not limit the amount of damages recoverable in a suit filed against an athlete agent to the amount of the bond.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 7, eff. September 1, 2011.

Sec. 2051.152. CANCELLATION OF BOND; SUSPENSION OF CERTIFICATE. (a) Not later than the 30th day after the date an athlete agent receives a notice of cancellation from the surety of a bond deposited under Section [2051.151](#), the athlete agent shall file a new bond with the secretary of state.

(b) The secretary shall suspend the certificate of registration of an athlete agent who fails to file a new bond as required by Subsection (a) until a new bond is filed.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

SUBCHAPTER E. FORM, CONTENT, AND FILING OF CERTAIN CONTRACTS

Sec. 2051.201. CONTRACT FORM. (a) A registered athlete agent must use a form approved by the secretary of state for any agent contract or financial services contract.

(b) The secretary of state shall by rule require that, to

the extent practicable, the form for an agent contract or financial services contract conforms to the contract form approved by the national professional sports association for the sport in which the athlete will be represented.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 8, eff. September 1, 2011.

Sec. 2051.202. CONTRACT SIGNING. An athlete may sign an athlete agent contract at any time as permitted by the national association for the promotion and regulation of intercollegiate athletics of which the athlete's institution of higher education is a member.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.203. CONTRACT REQUIREMENTS RELATING TO FEES AND SERVICES. (a) An agent contract or a financial services contract must include:

(1) a schedule of fees, including:

(A) the amount and method of computing the consideration to be paid by the athlete for services to be provided by the athlete agent under the contract; and

(B) any other consideration the athlete agent received or will receive from any other source for entering into the contract or for providing the services;

(2) a description of the professional services that the athlete agent will perform for the athlete;

(3) the name of any person not listed in the application for registration or renewal of registration who will be compensated because the athlete signed the agent contract;

(4) a description of any expenses of the athlete agent the athlete agrees to reimburse;

(5) the duration of the contract; and

(6) the date the contract was signed.

(b) A registered athlete agent may charge a fee only as provided by the schedule of fees in the contract.

(c) A change in the schedule of fees in a contract takes effect on the seventh day after the date on which the athlete agent files with the secretary of state a copy of the contract as required by Section 2051.205(b).

(d) The athlete agent shall give a signed copy of the contract to the athlete at the time the contract is signed.
Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 8, eff. Sept. 1, 2003.

Sec. 2051.204. CONTRACT REQUIREMENTS RELATING TO NOTICE.

(a) An agent contract or a financial services contract must include the following notice:

(1) THIS ATHLETE AGENT IS REGISTERED WITH THE SECRETARY OF STATE OF THE STATE OF TEXAS. REGISTRATION WITH THE SECRETARY OF STATE DOES NOT IMPLY APPROVAL OR ENDORSEMENT BY THE SECRETARY OF STATE OF THE COMPETENCE OF THE ATHLETE AGENT OR OF THE SPECIFIC TERMS AND CONDITIONS OF THIS CONTRACT.

NOTICE TO CLIENT

(2) DO NOT SIGN THIS CONTRACT UNTIL YOU HAVE READ IT OR IF IT CONTAINS BLANK SPACES.

(3) IF YOU DECIDE THAT YOU DO NOT WISH TO PURCHASE THE SERVICES OF THE ATHLETE AGENT, YOU MAY CANCEL THIS CONTRACT BY NOTIFYING THE ATHLETE AGENT IN WRITING OF YOUR DESIRE TO CANCEL THE CONTRACT NOT LATER THAN THE 16TH DAY AFTER THE DATE ON WHICH YOU SIGN THIS CONTRACT. YOU MAY NOT WAIVE THE RIGHT TO CANCEL THIS CONTRACT. IF YOU CANCEL THIS CONTRACT WITHIN 16 DAYS, YOU ARE NOT REQUIRED TO PAY ANY CONSIDERATION UNDER THE CONTRACT OR RETURN ANY CONSIDERATION RECEIVED.

(4) YOU MAY LOSE YOUR ELIGIBILITY TO COMPETE AS AN ATHLETE IN YOUR SPORT. CANCELLATION OF THIS CONTRACT MAY NOT REINSTATE YOUR ELIGIBILITY.

(5) IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN 72 HOURS AFTER ENTERING INTO THIS CONTRACT BOTH YOU AND YOUR ATHLETE AGENT MUST NOTIFY YOUR ATHLETIC DIRECTOR.

(b) The notice required under Subsection (a) must be:

- (1) printed in not less than 10-point typeface; and
- (2) boldfaced, capitalized, underlined, or otherwise

set apart from the surrounding provisions of the contract to make the notice conspicuous.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 9, eff. Sept. 1, 2003.

Sec. 2051.205. FILING REQUIREMENTS. (a) A registered athlete agent shall, not later than the 10th day after the date an athlete signs an agent contract or financial services contract, file a copy of the contract with:

(1) the secretary of state; and

(2) if the athlete is a student at an institution of higher education, the athletic director of the athlete's institution.

(b) If the schedule of fees in an agent or financial services contract is changed, the athlete agent shall file with the secretary a copy of the changed contract.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 9, eff. September 1, 2011.

Sec. 2051.206. MULTIYEAR CONTRACT FEE. (a) This section applies only to a multiyear professional sports services contract negotiated by a registered athlete agent.

(b) A registered athlete agent may not collect during a 12-month period a fee that exceeds the amount an athlete will receive during that same 12-month period under the professional sports services contract negotiated by the athlete agent.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

SUBCHAPTER F. IMPLEMENTATION STANDARDS OF INSTITUTIONS OF HIGHER EDUCATION

Sec. 2051.251. ADOPTION OF IMPLEMENTATION STANDARDS. (a) An institution of higher education shall adopt standards relating to the implementation of this chapter, including specific guidelines governing the athlete agent interview program sponsored

by the institution under Section 2051.301.

(b) Guidelines adopted under Subsection (a) relating to the athlete agent interview program must specify:

- (1) the scheduling of interview periods;
- (2) the duration of an interview period;
- (3) the location on the institution's campus for conducting interviews; and
- (4) any terms or conditions under which an athlete agent may contact an athlete during an interview period.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.252. APPROVAL AND FILING OF STANDARDS. (a) After adopting implementation standards under Section 2051.251, an institution of higher education shall:

- (1) submit the standards to the institution's athletic council or other analogous body for approval; and
- (2) file a copy of the approved standards with the secretary of state not later than the 30th day after the date the standards are approved under Subdivision (1).

(b) If an institution of higher education amends the implementation standards, the institution shall, not later than the 30th day after the date the amendment is effective, file a copy of the amended standards with the secretary.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.253. DESIGNATION OF COMPLIANCE COORDINATOR. An institution of higher education shall:

- (1) designate an individual to serve as a compliance coordinator for that institution; and
- (2) report the name of the compliance coordinator to the secretary of state in a manner prescribed by the secretary.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.254. WRITTEN REQUEST FOR IMPLEMENTATION STANDARDS. On receipt of a written request from a registered athlete agent, the secretary of state or a compliance coordinator designated under Section 2051.253 shall provide a copy of the

implementation standards adopted by an institution of higher education under Section [2051.251](#).

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.255. NOTIFICATION OF AVAILABILITY OF IMPLEMENTATION STANDARDS. (a) The secretary of state shall notify each registered athlete agent in writing of the availability, on request, under Section [2051.254](#) of a copy of the implementation standards of each institution of higher education.

(b) Notice under Subsection (a) must include a statement that:

(1) the standards adopted by an institution of higher education specify the policies of that institution relating to the time, place, and duration of athlete agent interviews conducted on the institution's campus; and

(2) each institution of higher education has a designated compliance coordinator who the athlete agent may contact for additional information.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.256. WRITTEN REQUEST FOR COMPLIANCE COORDINATORS. On receipt of a written request from a registered athlete agent, the secretary of state shall provide a copy of the names of the compliance coordinators designated under Section [2051.253](#).

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

SUBCHAPTER G. ATHLETE AGENT INTERVIEW PROGRAM

Sec. 2051.301. ATHLETE AGENT INTERVIEW PROGRAM. (a) Each institution of higher education shall sponsor an athlete agent interview program on the institution's campus.

(b) A registered athlete agent may interview an athlete during an interview program to discuss:

(1) financial services and advice offered by the athlete agent; and

(2) the athlete agent's representation of the athlete

relating to marketing the athlete's athletic ability and reputation.

(c) The compliance coordinator or secretary of state shall, not later than the 30th day before the date on which an interview program sponsored under this section begins, notify each registered athlete agent in writing of the interview program.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.302. COMPLIANCE COORDINATOR'S DUTIES. Each compliance coordinator designated under Section 2051.253 shall:

(1) establish the schedule for the athlete agent interview program sponsored under Section 2051.301 by the coordinator's institution of higher education;

(2) not later than the 30th day before the date on which the athlete agent interview program begins, notify each registered athlete agent, in writing, of the interview program, unless the secretary of state provides notification under Section 2051.301(c); and

(3) ensure that the coordinator's institution of higher education and the athletes attending the institution comply with this chapter and the rules adopted under this chapter.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.303. TIME AND DURATION OF INTERVIEW PROGRAM. An athlete agent interview program sponsored under this subchapter:

(1) may not continue for more than 30 consecutive business days as determined by the athlete's institution of higher education; and

(2) must be conducted during the off-season period before the completion of the athlete's final year of eligibility.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.304. COMPLIANCE WITH INTERVIEW GUIDELINES. An athlete agent shall strictly comply with the guidelines adopted under Section 2051.251 relating to the time, place, and duration of an athlete agent interview program.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

SUBCHAPTER H. RESTRICTION OF AGENT'S PRACTICE

Sec. 2051.351. PROHIBITIONS. (a) An athlete agent may not:

- (1) publish or cause to be published:
 - (A) false, fraudulent, or misleading information; or
 - (B) a false, fraudulent, or misleading:
 - (i) representation;
 - (ii) notice; or
 - (iii) advertisement;
- (2) provide false information;
- (3) make a false promise or representation relating to employment;
- (4) divide fees with or receive compensation from:
 - (A) a person exempt from registration under this chapter under Section [2051.005](#);
 - (B) a professional sports league or franchise, including a representative or employee of the league or franchise; or
 - (C) an institution of higher education, including a representative or employee of the institution's athletics department;
- (5) enter into a written or oral agreement with an employee of an institution of higher education in which the athlete agent offers a thing of value to the employee for the referral of clients by the employee;
- (6) before an athlete completes the athlete's last intercollegiate sports contest, offer a thing of value to the athlete or an individual related to the athlete within the second degree by affinity or consanguinity to induce the athlete to enter into an agreement with the athlete agent in which the athlete agent will represent the athlete;
- (7) before an athlete completes the athlete's last intercollegiate sports contest, furnish a thing of value to the athlete or an individual related to the athlete within the second

degree by affinity or consanguinity;

(8) except as provided by this chapter, before an athlete completes the athlete's last intercollegiate sports contest:

(A) directly contact the athlete; or

(B) enter into an oral or written agreement with the athlete for the athlete agent to represent the athlete;

(9) furnish anything of value to any person other than the athlete or another registered athlete agent to induce an athlete to enter into an agreement with the athlete agent;

(10) initiate any contact with an athlete, except as authorized by this chapter;

(11) fail to retain or permit inspection of the records required to be retained by Section [2051.352](#);

(12) predate or postdate an agent contract;

(13) fail to notify an athlete before the athlete signs an agent contract that the signing may make the athlete ineligible to participate in intercollegiate sports; or

(14) commit an act or cause a person to commit an act on the athlete agent's behalf that causes an athlete to violate a rule of the national association for the promotion and regulation of intercollegiate athletics of which the athlete's institution of higher education is a member.

(b) This section does not prohibit:

(1) an athlete agent from sending written materials to an athlete relating to the professional credentials or services of the athlete agent if the athlete agent simultaneously sends a copy of the materials to the athletic director of the athlete's institution of higher education or the athletic director's designee; or

(2) an athlete or an athlete's parent or legal guardian from contacting an athlete agent to schedule a meeting with the athlete agent to assess:

(A) the agent's professional proficiency in:

(i) representing the athlete; or

(ii) marketing the athlete's athletic ability or reputation; or

(B) the financial services offered by the athlete agent.

(c) If an athlete agent is contacted by an athlete or the athlete's parent or legal guardian to schedule a meeting to discuss the services offered by the athlete agent, the athlete agent shall, before meeting with the athlete or the athlete's parent or legal guardian, notify the athletic director of the athlete's institution of higher education or the athletic director's designee of the proposed meeting.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 10, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 10, eff. September 1, 2011.

Sec. 2051.352. RECORDKEEPING REQUIREMENT. (a) An athlete agent shall maintain a record of:

(1) each athlete represented by the athlete agent, including:

- (A) the name and address of the athlete;
- (B) fees paid by the athlete; and
- (C) services performed by the athlete agent for the athlete;

(2) travel and entertainment expenses incurred by the athlete agent, including expenses for:

- (A) food and beverages;
- (B) hospitality rooms;
- (C) sporting events;
- (D) theater and music events; and
- (E) transportation, lodging, and admission relating to entertainment;

(3) any agent contract entered into by the athlete agent; and

(4) any direct costs incurred by the athlete agent in recruiting or soliciting an athlete to enter into an agent contract.

(b) A record of travel and entertainment expenses

maintained under Subsection (a)(2) must state:

- (1) the nature of the expense;
- (2) the amount of the expense;
- (3) the purpose of the expense;
- (4) the date and place of the expense; and
- (5) the name of each person on whose behalf the

expenditure was made.

(c) An athlete agent shall provide a copy of a record maintained under this section to the secretary of state on request. Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 11, eff. Sept. 1, 2003.

Sec. 2051.353. DISCLOSURE REQUIREMENT. An athlete agent shall disclose the athlete agent's name and address in any advertising used by the athlete agent.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.354. AGENT LIABILITY FOR VIOLATION OF CHAPTER. A registered or unregistered athlete agent who violates this chapter may be subject to:

(1) an administrative penalty imposed under Subchapter J;

(2) forfeiture of the right to payment for a thing of value that the athlete agent gives to an athlete to induce the athlete to enter into a contract;

(3) a refund of consideration paid to the athlete agent; and

(4) payment of reasonable attorney's fees and court costs incurred by an athlete who files suit against an athlete agent for violation of this chapter.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

SUBCHAPTER I. INVESTIGATION OF AGENTS BY SECRETARY OF STATE

Sec. 2051.401. INVESTIGATIVE AUTHORITY: SUBPOENA AND SUMMONS. (a) The secretary of state may issue a subpoena or summons to compel:

(1) the attendance and testimony of a witness; or
(2) the production of:
(A) a book;
(B) an account;
(C) a record;
(D) a magnetic or electronic recording;
(E) a paper;
(F) a contract;
(G) correspondence; or
(H) any other record that the secretary determines is relevant or material to an investigation under this chapter.

(b) If the secretary issues a subpoena or summons under Subsection (a), the secretary, or an officer designated by the secretary, may:

- (1) administer an oath;
- (2) examine a witness; and
- (3) receive evidence.

(c) Information and evidence obtained by the secretary under this section is:

(1) confidential and not open to public inspection, except by a court order; and

(2) exempt from disclosure under Chapter 552, Government Code.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.402. SERVICE OF PROCESS. (a) The secretary of state, the secretary's authorized agent, a sheriff, or a constable may serve a subpoena or summons issued by the secretary of state under Section 2051.401:

(1) on an individual by:
(A) delivering an executed copy of the subpoena or summons to the individual; or
(B) mailing an executed copy of the subpoena or summons by registered or certified mail, return receipt requested, to the individual's:

(i) place of residence; or

(ii) principal place of business; and

(2) on an entity by delivering or mailing a duly executed copy of the subpoena or summons to an individual for which service would be appropriate in a civil suit under state law.

(b) Proof of service of process under this section consists of:

(1) a verified return showing the manner of service;

or

(2) if the service is made by registered or certified mail, return receipt requested, the return receipt.

(c) By acting as an athlete agent in this state, a nonresident appoints the secretary of state as the nonresident's agent for service of process in a civil action in this state related to an act by the person as an athlete agent.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 12, eff. Sept. 1, 2003.

Sec. 2051.403. ENFORCEMENT OF SUBPOENA AND SUMMONS. (a) The secretary of state shall refer a person who fails or refuses to comply with a subpoena or summons issued by the secretary under Section [2051.401](#) to the attorney general for enforcement.

(b) On receipt of a referral under Subsection (a), the attorney general may apply to a district court of Travis County for an order requiring compliance.

(c) On receipt of an application for an order under Subsection (b), a district court:

(1) shall order compliance if the court determines that good cause exists for the issuance of the subpoena or summons; and

(2) may modify those requirements of the subpoena or summons that the court determines are unreasonable.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.404. INTERROGATORIES. (a) Except as provided by Subsection (b), the secretary of state may serve interrogatories on an athlete, compliance coordinator, or any person subject to this chapter, or an officer, director, partner, or associate of the

person, if the interrogatories are reasonable and necessary to conduct an investigation under this chapter.

(b) The secretary may not serve interrogatories on an athlete who is not represented by an attorney.

(c) Interrogatories served under Subsection (a) must be answered:

(1) completely;

(2) in writing;

(3) under oath;

(4) not later than the 30th day after the date the interrogatories are mailed, or within a time period determined by the secretary; and

(5) by the individual to whom the interrogatories are directed or, if the interrogatories are directed to an entity, by an authorized representative of the entity.

(d) If the answers to interrogatories served under Subsection (a) disclose a violation of this chapter, the secretary shall take disciplinary action as provided by Section [2051.405](#).

(e) The interrogatories and answers to the interrogatories are:

(1) confidential and not open to public inspection, except by a court order; and

(2) exempt from disclosure under Chapter [552](#), Government Code.

(f) The secretary may disclose confidential information to a governmental authority or a quasi-governmental authority.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.405. DISCIPLINARY PROCEDURES; INJUNCTIONS. (a) If the secretary of state determines that a person has violated this chapter, the secretary shall:

(1) refer the violation to the attorney general for prosecution; and

(2) take appropriate disciplinary action, including:

(A) denying an application for registration; or

(B) suspending or revoking a certificate of registration.

(b) If the secretary determines that a person is violating or is threatening to violate this chapter, the secretary or the attorney general may file suit in district court in Travis County to enjoin the violation or threatened violation.

(c) Judicial review of a denial, suspension, revocation, or other disciplinary action taken under Subsection (a) is by trial de novo and is subject to Section [2001.173](#), Government Code. Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

SUBCHAPTER J. ADMINISTRATIVE PENALTY

Sec. 2051.451. ADMINISTRATIVE PENALTY. (a) If the secretary of state determines that a person regulated under this chapter has violated this chapter or a rule adopted under this chapter in a manner that constitutes a ground for disciplinary action under Section [2051.405](#), the secretary may assess an administrative penalty against the person as provided by this subchapter.

(b) The secretary shall determine the amount of a penalty assessed under Subsection (a), except that the amount may not exceed:

(1) \$50,000 for a violation of Section [2051.351](#)(a)(7) or (14); or

(2) \$25,000 for any other violation.

(c) In determining the amount of a penalty under Subsection (b), the secretary shall consider the seriousness of the violation. Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 11, eff. September 1, 2011.

Sec. 2051.452. INVESTIGATION AND PRELIMINARY REPORT. (a) If, after examining a possible violation, including facts relating to the violation, the secretary of state determines that a person has committed a violation of this chapter, the secretary shall issue a preliminary report stating:

(1) the facts on which the determination is based; and

(2) that an administrative penalty will be imposed, including the amount of the penalty.

(b) The secretary shall, not later than the 10th day after the date a preliminary report is issued under Subsection (a), send to the person who is the subject of the report:

(1) a copy of the report; and

(2) notice that the person may request a hearing under Section 2051.453.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.453. PAYMENT OR REQUEST FOR HEARING. (a) A person who is the subject of a preliminary report issued under Section 2051.452 shall, not later than the 20th day after the date the report is sent:

(1) pay the administrative penalty to the secretary of state; or

(2) request in writing from the secretary a hearing relating to:

(A) the alleged violation; or

(B) the amount of the penalty.

(b) A person who fails to pay the penalty or request a hearing as required by Subsection (a) waives the right to request a hearing under this chapter.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.454. HEARING. (a) If the secretary of state determines at a hearing conducted under Chapter 2001, Government Code, that a person has violated this chapter, the secretary shall:

(1) notify the person in writing of:

(A) the secretary's findings; and

(B) the amount of the administrative penalty;

and

(2) enter an order requiring the person to pay the penalty.

(b) A person shall, not later than the 30th day after receiving notice under Subsection (a):

(1) pay the penalty to the secretary; or

(2) forward the penalty to the secretary for deposit in an escrow account and request judicial review of:

- (A) the secretary's findings; or
- (B) the amount of the penalty.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.455. JUDICIAL REVIEW. If judicial review requested under Section [2051.454](#) reveals that a person has not violated this chapter or that the administrative penalty assessed against a person should be reduced, the secretary of state shall, not later than the 30th day after the date the judicial determination becomes final, return the appropriate amount of the penalty to the person.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.456. RECOVERY OF ADMINISTRATIVE PENALTY. On request by the secretary of state, the attorney general may file suit against a person to recover a penalty assessed under Section [2051.451](#).

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Sec. 2051.457. FAILURE TO PAY ADMINISTRATIVE PENALTY.
(a) If an athlete agent fails to pay the administrative penalty and does not request a hearing as provided by Section [2051.453](#), the secretary of state may revoke the agent's certificate of registration, refuse to renew the agent's certificate of registration, or refuse to issue a certificate of registration to the agent.

(b) If, after a hearing, an athlete agent fails to pay the administrative penalty as required by Section [2051.454](#), the secretary of state may revoke the agent's certificate of registration, refuse to renew the agent's certificate of registration, or refuse to issue a certificate of registration to the agent.

Added by Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 12, eff. September 1, 2011.

SUBCHAPTER K. CRIMINAL PENALTY

Sec. 2051.501. CRIMINAL OFFENSE. (a) An athlete agent commits an offense if the agent intentionally or knowingly violates this chapter or a rule under this chapter.

(b) Except as provided by Subsection (c), an offense under this section is a Class A misdemeanor.

(c) An offense under this section committed by an athlete agent who intentionally or knowingly violates Section [2051.351](#)(a)(7) or (14) is a third degree felony.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 13, eff. September 1, 2011.

Sec. 2051.502. NOTICE OF CRIMINAL OFFENSE. The secretary of state shall send notice of an athlete agent's conviction of an offense under Section [2051.501](#) to each national professional sports association that has certified the agent.

Added by Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 14, eff. September 1, 2011.

SUBCHAPTER L. CIVIL LIABILITY

Sec. 2051.551. CIVIL SUIT. (a) An institution of higher education adversely affected by an athlete agent's violation of this chapter may file suit against the athlete agent for damages.

(a-1) An athlete adversely affected by an athlete agent's violation of Section [2051.351](#)(a)(7) or (14) may file suit against the athlete agent for damages.

(b) A cause of action under Subsection (a) does not accrue until the educational institution discovers or by the exercise of reasonable diligence would have discovered the violation by the athlete agent.

(c) Any liability of the athlete agent under this section is several and not joint.

(d) This chapter does not restrict the rights, remedies, or

defense of any person under any other law.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 821, Sec. 13, eff. Sept. 1, 2003.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 16, eff. September 1, 2011.

Sec. 2051.552. ADVERSELY AFFECTED. (a) An institution of higher education is adversely affected by an athlete agent's violation of this chapter if:

(1) the athlete agent's violation causes a national association for the promotion and regulation of intercollegiate athletics to disqualify or suspend the institution from participating in intercollegiate sports contests; and

(2) the disqualification or suspension of the institution causes the institution to:

(A) lose revenue from media coverage of sports contests;

(B) lose the right to grant athletic scholarships in the sport in which the institution is disqualified or suspended;

(C) lose the right to recruit athletes; or

(D) otherwise suffer an adverse financial impact.

(b) An athlete is adversely affected by an athlete agent's violation of Section [2051.351](#)(a)(7) or (14) if:

(1) the athlete agent's violation causes a national association for the promotion and regulation of intercollegiate athletics to disqualify or suspend the athlete from participating in intercollegiate sports contests; and

(2) the disqualification or suspension of the athlete causes the athlete to suffer an adverse financial impact.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 17, eff. September 1, 2011.

Sec. 2051.553. RECOVERY. A plaintiff that prevails in a

civil suit filed under Section [2051.551](#) may recover:

- (1) actual damages;
- (2) exemplary damages;
- (3) court costs; and
- (4) reasonable attorney's fees.

Acts 1999, 76th Leg., ch. 388, Sec. 1, eff. Sept. 1, 1999.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 741 (H.B. [1123](#)), Sec. 18, eff.
September 1, 2011.