

MINUTES
ATHLETE AGENT BOARD
June 19, 2003 - 9:00 A.M.
Room 428 - Fourth Floor - Heber Wells Bldg.
160 East 300 South
Salt Lake City, Utah

CONVENED: 9:12 A.M.

ADJOURNED: 11:00 A.M.

PRESENT:

Clyde Ormond, Bureau Manager

Marty Simon, Board Secretary

Board Members:

Steven Gasser

Randall Call

ABSENT:

Paula Roberts

Robert Walker

GUESTS:

Craig Jackson, Division Director; Melissa Freigang, Weber State University; Norma Carr, Salt Lake Community College; and Manny Hendrix, University of Utah.

TOPICS FOR DISCUSSION:

Due to a lack of a board quorum no decisions were made. These minutes only reflect items that were discussed and recommended.

DECISIONS AND RECOMMENDATIONS:

ADMINISTRATIVE BUSINESS:

Minutes

Review of the minutes of the August 29, 2002 board meeting were deferred to the next board meeting due to a lack of a quorum.

Swear in New Board Members

The new board member, Mr. Walker, did not attend this meeting so he could not be sworn in as a new board member.

Elect board chairperson

This was deferred to the next meeting when all board members will be present.

DISCUSSION ITEMS:

Review of Revised Application

Mr. Call and Mr. Gasser stated, that in their opinion, the revised application is acceptable.

Review of Law & Rules

Mr. Ormond reviewed Mr. Gasser's comments, previously submitted, regarding the statute. The revisions he requested are as follows:

1. Section 15-9-105 (e) - change three individuals to two individuals for recommendation; 2. Section 15-9-105 (f) - change five years to one year; 3. Section 15-9-105 (g) (i) - require only the names of the partners;

4. Section 15-9-105 (g) (ii) – require only the names of the officers and directors; 5. Section 15-9-110 (2)(a) - omit the requirement for method of payment; 6. Section 15-9-113 (1) - change to a two year requirement; and 7. Section 15-9-113 (2) – delete, he doesn't think the bureau should have this right. He also suggested that the fee should be reduced to half of the current amount per year.

Mr. Ormond stated if the profession wants the statute changed they would have to initiate a bill through legislature to make any changes. Senator Lyle Hillyard should be contacted, since he wrote the original wording of this statute.

It was stated that a student who is matriculated in a college in Utah can not sign a contract with an agent from another state even if the student is a resident of that other state. The agent must be registered in the state of Utah as an athlete agent. Mr. Hendrix stated the athletes at the University of Utah sign an agreement that they will not sign a contract with an agent while attending the school. This appears to be a standard for all other schools.

Ms. Carr stated she doesn't see the need of this being regulated since the National Basketball Association (NBA) and the Player's Association already regulates this. Mr. Ormond stated this legislation was pushed through by the Universities in Utah for their protection. The National Collegiate Athlete Association (NCAA) is petitioning for the licensure of the athlete agents in all of the states.

Mr. Ormond reviewed 15-9-116 entitled "Civil Remedies", Utah Code Annotated, with the Board regarding the violations of this chapter.

Mr. Ormond informed them of the change of application fees that will become effective on July 1, 2003. This profession's fee will increase from \$500 to \$510.

There are monitoring systems in place at the universities to determine if any of the athletes are taking compensation from agents to be recruited. Mr.

New Fee Schedule

School Policies

Hendrix stated they train their juniors and seniors about this thoroughly. Ms. Freigang stated they have compliance officers in place to monitor this. Mr. Call asked the school representatives if they thought the universities' compliance officers should be invited to the next board meeting to educate them about this regulation. It was decided that would be a good idea.

Ms. Carr stated Salt Lake Community College has more of a problem with foreign students. Some of the national teams are paid by the country when attending a university here. Mr. Ormond spoke about a move to turn college students into professionals, trying to create an amateur athlete's union. The union would then request money from the school based upon how the student's attendance had benefited the school. He stated he doesn't think this will happen.

The intent of the statute is to try to ensure that a student is not bothered by athlete agents while attending college until they would be ready to go professional. If they do they wouldn't be able to play for the college team as they would no longer be considered an amateur but would then be classified a professional by the NCAA.

The definition of a student-athlete in Section 15-9-102 (13) was reviewed. Mr. Ormond suggested that the schools should check with the school's attorney to determine if they might be in violation of the statute. Mr. Call stated he had never seen the NBA pull an agents license if they contracted with a student to enter into an agency contract. NCAA would only have a problem if the school was paying an athlete to register with that school.

It was decided to send letters to all of the athletic directors of the colleges and universities in Utah inviting them to have their compliance officers attend the next meeting for educational purposes about the regulation of the athlete agents.

NEXT MEETING:

A meeting will be scheduled on October 23, 2003.

DATE APPROVED

CHAIRPERSON, UTAH ATHLETE
AGENT BOARD

DATE APPROVED

BUREAU MANAGER, DIVISION OF
OCCUPATIONAL & PROFESSIONAL
LICENSING

DRAFT