



Volume 12 | Issue 1

Article 1

2005

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Recommended Citation

Lloyd Z. Remick & Christopher J. Cabott, *Keeping out the Little Guy: An Older Contract Advisor's Concern, a Younger Contract Advisor's Lament*, 12 Jeffrey S. Moorad Sports L.J. 1 (2005).

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VILLANOVA SPORTS & ENTERTAINMENT LAW JOURNAL

VOLUME XII

2005

ISSUE 1

Article

KEEPING OUT THE LITTLE GUY: AN OLDER CONTRACT ADVISOR'S CONCERN, A YOUNGER CONTRACT ADVISOR'S LAMENT

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I. INTRODUCTION

Imagine Jane, a twenty-six year-old attorney who just passed the Pennsylvania Bar exam and the National Football League Players' Association ("NFLPA") contract advisor's certification exam. Having passed these exams, Jane now seeks to pursue her dream of becoming a contract advisor.¹

Luckily, Jane's monthly expenses are low. Her combined rent, student loans, car payments and office overhead, including bills and utilities, only

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1. Although one does not have to be a lawyer to be an agent or a contract advisor, a substantial portion of agents and contract advisors are sports lawyers as there is great demand for legal advice in the relationship amongst agents, athletes, college teams and professional franchises.

total \$2,500 a month. The only expenses remaining before she starts practicing are state registration fees and practice costs. Being the well-organized person she is, Jane jots down the following expenses and notes, all of which are independent of her aforementioned personal expenses and practice overhead.

1. \$1,600 – NFLPA certification fee.
 2. \$200 – Roundtrip ticket to the NFLPA annual seminar.
 3. \$200 – Lodging/Cab fare for the seminar.
 4. State registration fees (Note to self - only register in states within driving distance. If I provide great individual service, the practice will grow):
 - a. Pennsylvania - \$200 plus \$100 underwriter's fee for the bond.
 - b. Maryland - \$1,000
 - c. New York - \$100
 - d. Connecticut - \$200
 - e. Ohio - \$500
 - f. New Jersey - \$0 (No athlete agent laws there yet, so no fee!)
 - g. Delaware - \$2,500
 - h. West Virginia - \$50
 5. Annual transportation (gas, tolls, etc.) - \$1,000
 6. Malpractice Insurance - \$3,000
- TOTAL - \$10,650 for year one, before personal expenses or practice overhead.²

After compiling this list, Jane pays these fees and sets forth in pursuit of her dream. Six months later, Jane has yet to secure a client. She did have one player, but he was only on the practice squad and his team cut him during the pre-season. Consequently, she is behind on her car payments and cannot afford the upcoming NFLPA annual renewal fee of \$1,200. If things continue this way, she will not be able to renew her registration in the foregoing states, even if she excludes Delaware and/or Maryland.

A month later, Jane's struggles continue. Fortunately, she was able to move back in with her parents, but her debt and bills are mounting. With no hope in sight, Jane is forced to abandon her ailing practice. As she walks out of her office for the last time, she glances back with tears in her eyes and promises herself that one day she will be a successful contract advisor.

It is not fair that Jane could not afford to compete in the field of her choice. Unfortunately, it is a reality that aspiring NFLPA

2. This list is for illustration purposes only. It does not include the registration fees associated with representing clients in Major League Baseball, professional hockey or professional basketball.

contract advisors face at the hands of the Uniform Athlete Agents Act ("UAAA"), the Sports Agent Responsibility and Trust Act ("SPARTA"), Section 2(g) of the NFLPA's Rules Governing Contract Advisors ("Section 2(g)"), and the myriad of state registration fees.³

These regulations and the fees they produce are unfair, because they bar young contract advisors from the industry.⁴ Simultaneously, that unfairness reduces professional business intimacy. The solution to these problems is creating an affordable federal licensure for athlete agents. To establish licensure, we must modify the UAAA, amend SPARTA and revise Section 2(g).

This article reviews the background of the athlete agent industry, depicts the problems associated with the aforementioned regulations and fees, and details the foregoing solution.

II. BACKGROUND

In the last thirty-five years, the athlete agent industry has changed dramatically. Early on there were a handful of sports lawyers and agents. Today, professional sports and its promotion dominate American popular culture. Consequently, agents have the potential to earn handsome livings. As a result, law schools and undergraduate institutions are filled with young men and women, seeking to become the next super sports agent to the stars and receive the fame of HBO's *Arliss* or the fabled "Show Me the Money" Jerry McGuire.

During this boom, a handful of agents put their pecuniary interest ahead of their clients' better interest. Armed with cash, cars, plane tickets and jewelry, these agents duped a number of naïve student-athletes into signing agency contracts prior to the expiration of their collegiate eligibility. In turn, several of these student-athletes became ineligible.⁵ Simultaneously, the National Collegiate Athletic Association ("NCAA") sanctioned their academic

3. For a complete breakdown of the registration and renewal fees associated with each UAAA and non-UAAA state and territory, see *Appendix B*.

4. Despite this article's focus on the contract advisor industry and the NFLPA, the inherent problems caused by the UAAA, SPARTA and state registration fees apply equally, if not greater, to those who represent professional basketball, baseball and hockey players. This article's focus on football illustrates a point that is widely applicable in sports and entertainment law.

5. See William E. Kirwan, *Protecting College Athletes from Unscrupulous Agents*, at http://www1.ncaa.org/membership/enforcement/agents/sa_info/agentPacket.html#chronicalArticle (Sept. 26, 1996) (indicating how some student athletes lost their eligibility to unscrupulous agents). The NCAA bylaws that are most relevant to ineligibility are the following:

institutions for playing them in intercollegiate competition despite

12.1.1 Amateur status. An individual loses amateur status and thus shall not be eligible for intercollegiate competition in a particular sport if the individual: . . .

(d) Receives, directly or indirectly, a salary, reimbursement of expenses or any other form of financial assistance from a professional sports organization based upon athletic skill or participation, except as permitted by NCAA rules and regulations.

12.2.4.3 . . . An individual who retains an agent shall lose amateur status.

12.3.1 General Rule. An individual shall be ineligible for participation in an intercollegiate sport if he or she ever has agreed (orally or in writing) to be represented by an agent for the purpose of marketing his or her athletic ability or reputation in that sport. Further, an agency contract not specifically limited in writing to a sport or particular sports shall be deemed applicable to all sports, and the individual shall be ineligible to participate in any sport.

12.3.1.1 Representation for Future Negotiations. An individual shall be ineligible per Bylaw 12.3.1 if he or she enters into a verbal or written agreement with an agent for representation in future professional sport negotiations that are to take place after the individual has completed his or her eligibility in that sport.

12.3.1.2 Benefits from Prospective Agents. An individual shall be ineligible per Bylaw 12.3.1 if he or she (or his or her relatives or friends) accepts transportation or other benefits from: . . .

(b) An agent, even if the agent has indicated that he or she has no interest in representing the student-athlete in the marketing of his or her athletic ability or reputation and does not represent individuals in the student-athlete's sport.

31.2.2.4 Participation While Ineligible. When a student-athlete competing as an individual or representing the institution in a team championship is declared ineligible subsequent to the competition, or a penalty has been imposed or action as set forth in Bylaw 19.5.2.2-(e) or 19.7 of the NCAA enforcement program, the Committee on Infractions may require the following:

(a) *Individual Competition.* The individual's performance may be stricken from the championship records, the points the student has contributed to the team's total may be deleted, the team standings may be adjusted accordingly, and any awards involved may be returned to the Association. For those championships in which individual results are recorded by time, points or stroke totals (i.e., cross country, golf, gymnastics, indoor track and field, outdoor track and field, rifle, swimming and skiing), the placement of other competitors may be altered and awards presented accordingly. For those championships in which individual results are recorded by advancement through a bracket or head-to-head competition, the placement of other competitors shall not be altered.

(b) *Team Competition.* The record of the team's performance may be deleted, the team's place in the final standings may be vacated, and the team's trophy and the ineligible student's award may be returned to the Association.

2003-04 NCAA DIVISION I MANUAL: CONSTITUTION, OPERATING BYLAWS, ADMINISTRATIVE BYLAWS, August 1, 2003 [hereinafter *2003-04 NCAA Manual*], available at http://www.ncaa.org/library/membership/division_i_manual/2003-04/2003-04_d1_manual.pdf.

their ineligibility.⁶ In a few cases, unethical agents defrauded their clients out of millions.⁷ In order to prevent further ineligibility and sanctions, a number of states enacted athlete agent regulations.⁸ Unfortunately, a majority of these laws lacked registration requirements and enforcement penalties.⁹ Thus, dubious agents often went unidentified and unpunished.

In response to the need for efficient agent regulation, the National Conference of Commissioners on Uniform State Laws ("NCCUSL") drafted the UAAA.¹⁰ Soon thereafter, Congressmen Tom Osborne and Bart Gordon authored SPARTA. Additionally, the NFLPA enacted the Rules Governing Contract Advisors ("RGCA"). The background of each regulation is discussed below.

A. UAAA

In 1997, the NCAA and several major universities asked the NCCUSL to draft a model uniform agent regulation.¹¹ In response, the NCCUSL drafted the UAAA in Fall 2000. The purpose of the UAAA is to regulate agents, protect academic institutions from

6. See Kirwan, *supra* note 7 (discussing NCAA sanctions on academic institutions for playing ineligible student athletes in intercollegiate competition). The NCAA bylaw that is most relevant to sanctions is 31.2.2.5 *Institutional Penalty for Ineligible Participation*, which states: "When an ineligible student-athlete participates in an NCAA championship and the student-athlete or the institution knew or had reason to know of the ineligibility, the NCAA Committee on Infractions may assess a financial penalty." 2003-04 NCAA Manual, *supra* note 7.

7. See Marc Jenkins, Note, *The United Student-Athletes of America: Should College Athletes Organize in Order to Protect Their Rights and Address the Ills of Intercollegiate Athletics?*, 5 VAND. J. ENT. L. & PRAC. 39, 42 (2003) (discussing Tank Black-University of Florida scandal).

8. See UNIF. ATHLETE AGENTS ACT, Prefatory Note, 7 U.L.A. 191 (Supp. 2000) (noting approximately twenty-eight states enacted statutes regulating athlete agents).

9. See *id.* (indicating regulatory laws do not have uniform registration requirements and penalties). "There are substantial differences in the registration procedures, disclosures required and requirements relating to record maintenance, reporting, renewal, notice, warning and security." *Id.*

10. See *Uniform Athlete Agent Act (UAAA) History and Status*, at <http://www1.ncaa.org/membership/enforcement/agents/uaaa/history.html> (last visited Nov. 21, 2004) [hereinafter *UAAA History*] (noting what NCCUSL is and its purpose). "NCCUSL is a national organization that drafts uniform and model state laws and comprises more than 300 lawyers, judges, state legislators and law professors appointed by their respective states." *Id.*

11. See *id.* (noting number of states and territories adopting UAAA as their primary form of agent regulation). The NCAA and several universities were prompted by the lack of uniformity and lack of reciprocity. See UNIF. ATHLETE AGENTS ACT, Prefatory Note, 7 U.L.A. 191 (Supp. 2000) (describing genesis of UAAA).

sanctions and reduce student-athlete ineligibility.¹² As of Fall 2004, twenty-eight states and two territories have adopted the UAAA as their primary form of agent regulation.¹³

To regulate agents, the UAAA imposes numerous requirements. First, agents must register with the state prior to contacting a student-athlete.¹⁴ Second, they must disclose their professional and criminal history.¹⁵ Third, agents must grant the Secretary of State the authority to issue subpoenas if compliance information is needed.¹⁶ Finally, the UAAA prohibits agents from funneling money or tangible benefits to student-athletes.¹⁷ Those who violate these regulations are subject to criminal and administrative penalties.¹⁸

The UAAA protects academic institutions by allowing them to seek civil remedies from both agents and student-athletes if they are sanctioned due to an agent, or a student-athlete's failure to notify their athletic director regarding a signed agency contract within the appropriate period of time.¹⁹

To reduce ineligibility, agents must provide student-athletes with an ineligibility warning at the bottom of every agency contract.²⁰ Once an agency contract is signed, the agent and the student-athlete must forward written notice of the contractual

12. See UNIF. ATHLETE AGENTS ACT, Prefatory Note, 7 U.L.A. 191 (Supp. 2000) (discussing UAAA purpose).

13. See *UAAA History*, *supra* note 12 (noting number of states and territories adopting UAAA as their primary form of agent regulation). For a further list of states adopting the UAAA, see *Appendix A*.

14. See UNIF. ATHLETE AGENTS ACT § 4(a), 7 U.L.A. 200 (Supp. 2000) (stating agents must register with state prior to contacting student-athlete). On the other hand, under § 4(b)(1) and (2), if the student-athlete initiates the contact, the agent may still discuss representation with the athlete, providing that he or she registers in the state of the student-athlete's academic residence within seven days. See § 4(b)(1)-(2), 7 U.L.A. 200.

15. See §§ 5(a)(3), (8), 7 U.L.A. 201-02 (explaining agents must fully disclose professional and criminal history).

16. See § 3(b), 7 U.L.A. 198 (showing agents must grant secretary of state authority to issue subpoenas).

17. See § 14(a)(2)-(3), 7 U.L.A. 219 (noting agents must not induce student-athlete into contract).

18. See §§ 15, 17, 7 U.L.A. 221, 224 (describing agents who violate UAAA regulations are subject to penalties).

19. See § 16, 7 U.L.A. 223 (stating civil remedies available to academic institutions against student athletes and agents).

20. See § 10(c), 7 U.L.A. 213-14 (stating agency contract must contain conspicuous notice in boldface type in capital letters). The agency contract must state:

WARNING TO STUDENT-ATHLETE

IF YOU SIGN THIS CONTRACT:

- (1) YOU MAY LOSE YOUR ELIGIBILITY TO COMPETE AS A STUDENT-ATHLETE IN YOUR SPORT;**

relationship to the athletic director at the student-athlete's academic institution, or to any institution the agent reasonably believes the student-athlete will attend.²¹ Such notice must be given within the lesser of 72 hours or the student-athlete's next scheduled athletic event.²² Simultaneously, the UAAA gives student-athletes the right to cancel agency contracts within fourteen days of execution.²³

Ironically, the UAAA does not provide student-athletes with a right to seek civil remedies from agents if they are rendered ineligible due to an agent's failure to abide by UAAA regulations. Additionally, its safeguards do not apply to student-athletes who have exhausted their eligibility.²⁴ Lastly, registration fees vary amongst member states because the UAAA fails to establish a uniform registration fee.

B. SPARTA

The House of Representatives passed SPARTA on June 4, 2003.²⁵ Soon thereafter, Senator Ron Wyden (D-Or.) filed an identical bill in the Senate.²⁶ On September 24, 2004, President George

(2) IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN 72 HOURS OF ENTERING INTO THIS CONTRACT, BOTH YOU AND YOUR ATHLETE AGENT MUST NOTIFY YOUR ATHLETIC DIRECTOR; AND

(3) YOU MAY CANCEL THIS CONTRACT WITHIN 14 DAYS AFTER SIGNING IT. CANCELLATION OF THIS CONTRACT MAY NOT REINSTATE YOUR ELIGIBILITY.

Id. (emphasis in original).

21. See § 11(a)-(b), 7 U.L.A. 216 (noting written notice must be forwarded to academic institution).

22. See *id.* (indicating notice requirement time limit).

23. See § 12(a), 7 U.L.A. 217 (indicating right to cancel).

24. See R. Michael Rogers, *The Uniform Athlete Agent Act Fails to Fully Protect the College Athlete Who Exhausts His Eligibility Before Turning Professional*, 2 VA. SPORTS & ENT. L.J. 63, 69-73 (2002) (explaining how UAAA affects "Exhausted Eligibility Athlete[s]"). The exhausted eligibility student-athlete is one who has used all four years of eligibility in his or her sport, but still remains on campus as a student. See *id.* at 69 (stating UAAA provides that if "an individual is permanently *ineligible* to participate in a particular intercollegiate sport, the individual is not a student-athlete for purposes of that sport") (emphasis in original). For example, Brian Westbrook, now a running back with the Philadelphia Eagles, was an exhausted eligibility student-athlete during the spring semester following his last season of college football at Villanova. See *id.* at 70.

25. See Gary Roberts, *An Overview of the Recent Legal Developments in Sports*, SPORTS LAWYERS ASSOC. CONFERENCE 5 (Sports Lawyers Assoc. Tul. Law), May 20-22, 2004 (indicating how SPARTA came about in Federal legislature).

26. See *id.* (referring to bill in Senate that resembles Sports Agent Responsibility and Trust Act).

W. Bush signed SPARTA into law.²⁷ SPARTA serves as a “federal backstop” to the UAAA, as it focuses on regulation and enforcement.²⁸

In terms of regulation, SPARTA makes it unlawful for an agent to provide student-athletes with false or misleading information, promises or representations, or anything of value.²⁹ Additionally, agents must warn student-athletes in a disclosure form that they may lose their eligibility if they sign an agency contract or falsify its date.³⁰ Before entering into the agency contract, student-athletes must sign the disclosure form.³¹ Once the agency contract is signed, both the agent and the athlete must contact the institution’s athletic department within the lesser of 72 hours or the student-athlete’s next scheduled athletic event.³²

Seeking strict enforcement, SPARTA has the Federal Trade Commission (“FTC”) enforce its agency contract regulations.³³

27. Sports Agent Responsibility & Trust Act, Pub. L. No. 108-304, 118 Stat. 1125 (2004) (enacted 108 H.R. 361).

28. *Federal Legislation Restricting Sports Agents Moves Forward*, LEGAL ISSUES IN COLLEGIATE ATHLETICS, Aug. 2002, at 1 (quoting U.S. Representative Tom Osborne who was University of Nebraska football coach before serving in Congress). SPARTA is an “attempt to prevent agents from bribing student-athletes with expensive gifts and cash in exchange for the student’s signing of a representation contract.” *Id.* (indicating central goal of legislation).

29. See H.R. REP. NO. 108-24, pt. 2, at 2 (2003) (discussing § 3(a)(1)(A)-(B) and agent regulation regarding misleading information). Prohibitions include “any consideration in the form of a loan, or acting in the capacity of a guarantor or co-guarantor for any debt” *Id.* (discussing extent of statute).

30. See *id.* at 2-3 (discussing § 3(b)(3) and disclosure forms). The warning must be conspicuous and in boldface type state the following:

Warning to Student Athlete: If you agree orally or in writing to be represented by an agent now or in the future you may lose your eligibility to compete as a student athlete in your sport. Within 72 hours after entering into this contract or before the next athletic event in which you are eligible to participate, whichever occurs first, both you and the agent by whom you are agreeing to be represented must notify the athletic director of the educational institution at which you are enrolled, or other individual responsible for athletic programs at such educational institution, that you have entered into an agency contract.

Id.

31. See *id.* at 2 (describing § 3(b)(2) and relevant disclosure forms). If the student-athlete is under the age of 18, the parent or guardian must sign the contract. *Id.* (indicating consent required by SPARTA).

32. See *id.* at 4 (explaining § 6(a) and its instructions on contacting student institutions).

33. See *id.* at 3 (setting forth § 4(a) and pertinent FTC regulation). “The Commission shall enforce this Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. § 41 *et seq.*) were incorporated into and made a part of this Act.” *Id.* (providing instructions for the appropriate government agency under § 4(b)).

Specifically, SPARTA gives the FTC the authority to “enforce [SPARTA] in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the [FTC] Act were incorporated into and made a part of this Act.”³⁴ Accordingly, the FTC fines agents \$11,000 per incident for unfair or deceptive acts or practices that violate SPARTA.³⁵ The revenue generated from such fines is forwarded to the U.S. Treasury.³⁶

SPARTA also permits state attorney generals to act in federal court on behalf of the FTC.³⁷ In these cases, all damages, restitution and other compensation go to the state.³⁸ A state also has a cause of action on behalf of its residents if it has reason to believe that an agent has threatened or adversely affected a resident’s interest.³⁹

Academic institutions may also seek remedial damages from student-athletes or agents if their behavior causes it to incur expenses.⁴⁰ These expenses include losses resulting from penalties, disqualification, suspension and/or restitution for losses suffered due to self-imposed compliance actions.⁴¹ Remedies for such suits include enjoinder, enforcement, damages and restitution.⁴² SPARTA does not, however, address registration fees or provide student-athletes with a cause of action if they are injured due to an agent’s misconduct.⁴³

34. H.R. REP. NO. 108-24, pt. 2, at 3 (noting § 4(b) and FTC authority concerning enforcement of SPARTA).

35. See Crissy Kaesebier, *Federal bill designed to provide second line of agent defense*, NCAA NEWS, at <http://www.ncaa.org/news/2002/20020527/active/3911n37.html> (May 27, 2002) (discussing FTC fines and SPARTA).

36. See *id.* (indicating where money netted from fines gets placed).

37. See H.R. REP. NO. 108-24, pt. 2, at 3 (2003) (discussing § 5(a)(1) and state attorney general abilities to enforce FTC fines).

38. See *id.* (referring to § 5(a)(1)(C) and state damages).

39. See *id.* (describing § 5(a)(1) and state causes of action). “In any case in which the attorney general of a State has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by the engagement of any athlete agent in a practice that violates section 3 of this Act” *Id.*

40. See *id.* at 4 (describing § 6(b)(1) and remedial damages). “An educational institution has a right of action against an athlete agent for damages caused by a violation of this Act.” *Id.*

41. See *id.* (discussing § 6(b)(2) and damages).

42. See H.R. REP. NO. 108-24, pt. 2, at 3 (2003) (discussing § 5(a)(1)(A)-(C) and remedies for academic institutions).

43. See Scott Boras, *Agent reform plan just a first step*, STREET & SMITH’S SPORTS BUS. J., Jan. 26 – Feb. 1, 2004, at 25 (noting downfalls of SPARTA). Recently, athlete agent Scott Boras was called before Congress to testify in regard to SPARTA. See *id.* Boras stated that while he supports the bill, he is calling for an

C. RGCA

In 1994, the Officers and Player Representatives of the NFLPA adopted the RGCA for persons who desired to assist or represent players in their contract negotiations with NFL Clubs.⁴⁴ The NFLPA refers to these persons as contract advisors. The RGCA were adopted and amended pursuant to the authority and duty conferred upon the NFLPA as the exclusive collective bargaining representative of NFL players, under Section 9(a) of the National Labor Relations Act.⁴⁵

To be eligible for contract advisor certification, the following requirements must be met. One must file a verified application for certification, execute an information release with the NFLPA, and pay the required application fee.⁴⁶ Currently, that fee is \$1,600.⁴⁷ In addition, one must have received a degree from an accredited four-year college or university.⁴⁸ The NFLPA will grant an exception, however, if the applicant has sufficient negotiating experience.⁴⁹ Furthermore, new applicants must attend the annual NFLPA seminar for new contract advisors and pass a written certification exam.⁵⁰

Certification is only granted to individuals and not firms, corporations, partnerships, or other business entities.⁵¹ There is no limit, however, on the number of individuals in any one firm, corporation, partnership or other business entity who may be eligible

expansion to provide relief directly to the student-athlete in addition to the university. *See id.*

44. *See generally* NAT'L FOOTBALL LEAGUE PLAYERS ASS'N (NFLPA) REGS. GOVERNING CONTRACT ADVISORS (amended Nov. 2003) [hereinafter *NFLPA Regulations*] (describing origin of RGCA), available at <http://www.nflpa.org/Agents/main.asp?subPage=Agent+Regulations>.

45. *See id.* (describing RGCA origin). Section 9(a) of the National Labor Relations Act ("NLRA") states:

Representatives designated or selected for the purposes of collective bargaining by the majority of the employees in a unit appropriate for such purposes, shall be the exclusive representatives of all the employees in such unit for the purposes of collective bargaining in respect to rate of pay, wages, hours of employment, or other conditions of employment. 29 U.S.C. § 159(a) (2004).

46. *See NFLPA Regulations, supra* note 46, at § 2 (describing process to become eligible for contract advisor certification).

47. *See NFLPA Application for Certification Checklist*, at <http://www.nflpa.org/PDFs/Agents/AgentApplicationOnline.pdf> (last visited Nov. 22, 2004) (noting application fee).

48. *See NFLPA Regulations, supra* note 46, at § 2(A) (describing another requirement for new contract advisors).

49. *See id.* (stating exception to college degree requirement).

50. *See id.* (noting another requirement for new contract advisors).

51. *See id.* (stating who is eligible for certification).

for certification.⁵² Once certified, one must pay an annual fee, which is currently \$1,200.⁵³

The RGCA seek to ensure that players make informed decisions when they select a contract advisor; therefore, they establish contract advisor standards and regulations.⁵⁴ Contract advisors must adhere to the following standards. First, they must disclose their qualifications on their certification applications, permit outside audits, and act at all times in a fiduciary capacity on behalf of players.⁵⁵ Second, they may only conduct individual negotiations on behalf of a player if they sign a Standard Representation Agreement with the player, file a fully executed copy of that agreement with the NFLPA and receive certification from the NFLPA.⁵⁶ These standards also govern providing players with advice, counsel, information and/or assistance with respect to their Club contracts, as well as their conduct during compensation negotiations and any other activity that bears directly upon the contract advisor's integrity, competence or ability to negotiate contracts.⁵⁷ Such activities include wealth management, tax counseling and preparation, financial advice and investment services.⁵⁸

Turning to regulations, the RGCA regulate agency contracts heavily. Accordingly, any agreement which does not meet NFLPA standards is unenforceable and the contract advisor does not have a right to receive compensation from it.⁵⁹ Further, the Standard Player Agreement caps contract advisors' commission at three percent of the player's performance compensation.⁶⁰ Simultaneously, a contract advisor may not receive his or her commission until after

52. *See id.* (noting loophole in certification process).

53. *See NFLPA Regulations, supra* note 46, at § 2(H)(2) (noting annual fee requirement); *see also* NAT'L FOOTBALL LEAGUE PLAYERS ASS'N ANNUAL RENEWAL APPLICATION (2004) (stating annual fee) (on file with author).

54. *See NFLPA Regulations, supra* note 46, at § 3 (explaining purpose of RGCA).

55. *See id.* at § 3(A)(1)-(17) (describing standards contract advisors must meet).

56. *See id.* at § 1(A) (explaining standards contract advisors must follow).

57. *See id.* (noting RGCA standards apply to many contract advisor activities concerning their clients).

58. *See id.* (explaining various contract advisor activities that are governed by RGCA standards).

59. *See NFLPA Regulations, supra* note 46, at § 4(A) (explaining effect when NFLPA standards are not met).

60. *See id.* at § 4(B) (noting performance compensation includes salaries, signing bonuses, reporting bonuses, roster bonuses, and any performance bonuses earned during term of contract). An example of compensation not included under this provision would be honor bonuses, such as "All Pro", "Pro Bowl", or "Rookie of the Year." *Id.*

the player receives compensation.⁶¹ If the player decides otherwise, however, the contract advisor may receive the commission up front.⁶²

The RGCA prohibits a variety of contract advisor activities. Contract advisors are prohibited from soliciting players through money or merchandise, negotiating player contracts that violate NFLPA policy, concealing material facts from players, filing a lawsuit against a player as opposed to using arbitration, and sharing commissions with other contract advisors.⁶³ Additionally, contract advisors may not initiate discussions with players about their current contract advisor agreement or NFL Club contract.⁶⁴ If the player initiates the contact, however, the contract advisor may communicate with the player regarding the agreements.⁶⁵

Notwithstanding the foregoing procedures, requirements, fees and prohibitions under Section 2(g), a contract advisor's certification automatically expires at the end of any three-year period, in which he or she fails to negotiate and sign a player to a NFL contract.⁶⁶ Practice squad contract negotiations do not count for the purposes of Section 2(g).⁶⁷ Similarly, the NFLPA's legal department is researching the feasibility of adopting an amendment that would limit the number of contract advisors certified by the league.⁶⁸

III. PROBLEMS

The UAAA, SPARTA, and Section 2(g) cause three problems. First, they do not protect student-athletes with exhausted eligibility. Second, they do not provide students with the right to bring an action against unscrupulous agents. Third, they produce unfair fees and reduce professional business intimacy. Professor R.

61. *See id.* at § 4 (describing compensation process).

62. *See id.* (noting exception to how contract advisor is compensated).

63. *See id.* at § 3(B)(1)-(27) (describing prohibited RGCA behavior).

64. *See NFLPA Regulations, supra* note 46, at § 3(B)(21)(a) (stating another RGCA requirement which contract advisors must follow).

65. *See id.* at § 3(B)(21)(b) (noting exception to requirement § 3(B)(21)(a)).

66. *See id.* at § 2(6) (explaining term limit concerning certification of contract advisors).

67. *See id.* (stating which types of players count to meet standards of RGCA).

68. Memorandum from Tom DePaso, National Football League Players Association, on 2004 Amendments to the NFLPA Regulations Governing Contract Advisors, to the Contract Advisors (May 18, 2004) (on file with Villanova Sports & Entertainment Law Journal) (describing 2004 amendments to regulations, specifically, NFLPA's legal department).

Michael Rogers addressed the first problem two years ago.⁶⁹ Jeremy Bloom is tackling the second issue.⁷⁰ Thus, I will discuss the third problem exclusively.

The contract advisor industry needs improvement. The status quo is harming NFL players, even though a majority of it is honest and law abiding. Recently, the NFLPA reported that agents, business partners, and financial advisors cheated seventy-eight NFL players out of more than \$42,000,000 in 2002.⁷¹ Recognizing this harm, it is clear that the industry needs young aspiring contract advisors. They are our future leaders, possessing the energy and motivation needed to fight unethical behavior. The irony is that fight is the desired end of the UAAA, SPARTA, and RGCA. Unfortunately, the excessive financial considerations they produce stifle that fight by barring aspiring contract advisors from competing in the multi-state game.

A. The Multi-State Game

Sports are everywhere. Consequently, athlete representation is a multi-state game. Today forty-nine of the fifty states have collegiate football programs.⁷² Moreover, this past 2003-04 NFL season, forty-eight of those forty-nine states were represented on the active NFL league roster per the various players' undergraduate in-

69. See Rogers, *supra* note 26, at 69-73 (discussing shortcomings of Uniform Athlete Agent Act). Professor Rogers's article examines the UAAA's definition of "student-athlete" and its limitation to those students with remaining eligibility. See *id.* at 65 (defining "student-athlete" under UAAA and its limits). Professor Rogers proposes that the definition be modified to apply to all student-athletes including seniors whose eligibility is exhausted, as they too need protection from unscrupulous agents. See *id.* at 78-79 (describing proposal for changes to UAAA).

70. University of Colorado wide receiver and Olympic skier Jeremy Bloom is fighting to equip student-athletes with more rights. Bloom, in association with California Senator Kevin Murray, drafted the Student Athlete's Bill of Rights ("SABR"). See generally S. 193, 2003-04 Leg., Reg. Sess. (Cal. 2003). SABR proposes that a university not be bound to the "rules or policies of any organization, . . . nor make a contract with any party, that dictates the terms, value, and conditions of student athlete scholarships . . ." *Id.* at § 67371. Most importantly, the SABR would provide a stipend to cover the full cost of attending college, which includes \$2,400 extra for necessary travel, out of season medical expenses, clothing and leisure activities. See Andrew Zimbalist, *Jeremy Bloom can guide NCAA to logical reform*, STREET & SMITH'S SPORTS BUS. J., Feb. 9 - 15, 2004, at 31 (discussing Bloom's California bill in relation to NCAA amateurism difficulties).

71. Letter from Alan M. Rothstein, CPA, PFS, Vice President, Asset Strategies Inc., to Lloyd Z. Remick, Esq., President, Zane Management, Inc. (June 10, 2004) (on file with author) (stating need for improvement in contract advisor industry).

72. Alaska is the exception. See Peter Wolf & Ross Baker, *College football team homepages (by state)*, at <http://www.bol.ucla.edu/~prwolfe/cfootball/LinksList.html> (last visited Nov. 22, 2004) (showing all states except Alaska have football programs).

stitutions.⁷³ The average number of states represented per team was twenty-eight.⁷⁴ Viewing these statistics, it becomes clear that young contract advisors must register in as many states as possible, because only registering in one or two states severely limits his or her ability to obtain clients; hence, the phrase “the multi-state game.”

The UAAA is a direct result of the multi-state game. Prior to its drafting, a number of agents lobbied for uniform registration, as they were spending hours upon hours executing several unique state licensure applications.⁷⁵ The NCCUSL acknowledged their complaints when it included uniform registration procedures in the UAAA. Despite recognizing this need, the NCCUSL failed to establish a uniform registration fee. Thus, each UAAA member state has its own separate fee. Currently, registration fees range from \$20 to \$2,500, with a mean of \$1,260 and an average of \$459.⁷⁶ Since nine of the twenty-eight UAAA states and territories reduced their renewal registration fee, the average renewal registration fee drops slightly to \$414.⁷⁷ Three states offer reduced registration fees for registration based upon a certificate of registration or licensure is-

73. Vermont was not represented this past season. Such data was compiled through a roster review of each NFL player's undergraduate institution. Roster information is available through each team's link at www.nfl.com.

74. Such data was compiled through a roster review of each NFL player's undergraduate institution. Roster information is available through each team's link at www.nfl.com. For a breakdown of the number of states represented on each team's roster, see *Appendix C*.

75. See UNIF. ATHLETE AGENT ACT, Prefatory Note, 7 U.L.A. 191 (Supp. 2000) (describing need for uniform registration). The drafters of the UAAA note that “[c]onscientious agents operating in more than a single State must have nightmares caused by the lack of uniformity in the existing statutes, the difficulty in compliance and the severity of penalties which may be imposed for violations.” *Id.*; see also Diane Sudia & Rob Remis, *Athlete Agent Legislation in the New Millennium: State Statutes and the Uniform Athlete Agents Act*, 11 SETON HALL J. SPORT L. 263, 276 (2001) (discussing tenuous state of athlete agent legislation).

76. For a complete breakdown of the registration and renewal fees associated with each UAAA and non-UAAA state and territory, see *Appendix B*.

77. Those states are Alabama (ALA. CODE § 8-26A-9 (2002)); Florida (FLA. STAT. ANN. § 468.453 (West 2001)); Kentucky (KY. REV. STAT. ANN. § 164.6915 (Michie Supp. 2004)); Minnesota (MINN. STAT. ANN. § 81A.09 (West Supp. 2004)); Mississippi (MISS. CODE ANN. § 73-42-17 (2004)); New York (N.Y. GEN. BUS. LAW § 899-g (McKinney Supp. 2004)); North Dakota (N.D. CENT. CODE § 9-15.1.08 (Supp. 2003)); Tennessee (TENN. CODE ANN. § 49-7-2130 (2002)); and West Virginia (W. VA. CODE ANN. § 30-39-9 (Michie 2002)). For state statute information, see *UAAA History*, *supra* note 12. For a complete breakdown of the registration and renewal fees associated with each UAAA and non-UAAA state and territory, see *Appendix B*.

sued by another UAAA state.⁷⁸ Interestingly, the NCCUSL stated in the UAAA that:

The amount of [registration] fees is left for each State to determine. Some States with existing acts have set fees in amounts sufficient to recover the cost of administration. If that approach is taken, a fee for registration or renewal based on registration or renewal of registration in another State should be less than when a complete evaluation and review of an application is necessary.⁷⁹

Despite these guidelines, only the foregoing few states follow them; hence, the present problems persist.

In addition, two states offer registration advantages for business organizations. In Pennsylvania, individuals pay a registration fee of \$200, while corporations pay a registration fee of \$400.⁸⁰ Individuals registering in Texas pay \$1,000, but individuals who work for a business entity only pay \$100.⁸¹ These registration fees, when combined with SPARTA's failure to address the subject and Section 2(g)'s ouster clause, are unfair because they create an environment that places beginning contract advisors at a significant competitive advantage. Simultaneously, these fees reduce the professional business intimacy associated with contract advisor-client relations.

B. Unfairness

The UAAA, SPARTA, Section 2(g) and the myriad of state registration fees are unfair. As mentioned, aspiring contract advisors must pay a separate registration fee in every state. In the multi-state game, fees and expenses accumulate quickly. The average beginning contract advisor cannot afford these expenses, because he or she is most likely in the midst of paying the annual NFLPA fee, repaying student loans, making mortgage payments, paying off a car, starting a family and facing practice overhead.

As a result, aspiring contract advisors with law degrees are forced, while simultaneously being lucky to at least have the chance

78. Those states are Alabama, Arkansas and Pennsylvania. See ALA. CODE § 8-26A-9 (2002); see also ARK. CODE ANN. § 17-16-109 (2001); 5 PA. CONS. STAT. ANN. § 3308 (West Supp. 2004). For state statute information, see *UAAA History*, *supra* note 12.

79. See UNIF. ATHLETE AGENTS ACT § 9, 7 U.L.A. 211 (Supp. 2000) (stating how registration fees are determined state by state).

80. See 5 PA. CONS. STAT. ANN. § 3308(a)(1) (West Supp. 2004) (noting monetary differences between individuals and corporations).

81. See TEX. OCC. CODE ANN. § 2051.107 (Vernon 2004) (detailing fees of individuals and those affiliated with corporations).

to work, in the District Attorney's Office, Public Defender's Office or a law firm. There, they can at least receive a steady paycheck. Deadlines, billable hours, mortgage payments and familial needs, however, create congested schedules and long hours.

Similarly, non-lawyer agents find work elsewhere, but often times they fall victim to the same schedules and hours. Consequently, these young men and women put their dreams of becoming a NFLPA contract advisor on hold, while they try to make ends meet. Most times these dreams are never re-visited.

Quantity breeds quality. Therefore, if we allow more contract advisors into the NFLPA it will help improve the industry. Under this approach, the aspiring agents of today will become the ethical status quo of tomorrow. Simultaneously, the industry will become more service oriented and better geared toward the needs of athletes. This evolution is impossible, however, if contract advisors continue to be subject to the exorbitant registration fees that the UAAA produces.

SPARTA does not help the problem. As written, it is silent on the issue of registration fees. Ironically, while it recognizes the need for federal regulation, it fails to ensure a fair and reasonable means of registration.

Section 2(g) adds to the unfairness because it gives the NFLPA a license to strip an agent of his or her certification. Interestingly, Section 2(g) disrobes contract advisors of their certification while they abide by NFLPA requirements, pay membership fees, attend annual meetings, and compete with their 900 plus brother and sister agents.⁸² In effect, Section 2(g) rebuts the pillars of *laissez-faire*, by limiting competition and depriving one the opportunity to work in the field of his or her choice.

Some may argue that football player representation is not a binding concern. Preventing people from working in the field of their choice, however, frustrates the fundamental freedoms of our nation, and maintaining the American way is always a concern.

C. The Reduction of Professional Business Intimacy

Alternatively, some young men and women sidestep the unfairness, debt and hustle by joining large agencies, which are full of divisions, departments and specialized sectors.

82. See NAT'L FOOTBALL LEAGUE PLAYERS ASS'N CERTIFIED CONTRACT ADVISORS DIRECTORY 240-54 (2004) (listing NFLPA agents).

The product of these large agencies is scattered representation, under which an athlete speaks to one person for this and another person for that, phone tag becomes the communication norm, and face to face, one-on-one meetings are phased out. As the RGCA notes, contract advisors serve their clients in a fiduciary capacity.⁸³ When one owes another a fiduciary duty, trust and the other's better interest are at the nerve center of the fiduciary's every decision. The fiduciary duty an agent owes an athlete is uniquely intimate and requires an unusually high degree of trust.

Lawyers, accountants, personal managers, business managers and booking agents all serve their clients in a fiduciary capacity. When an agent represents an athlete, many of the aforementioned jobs and relationships are combined into one. Typically, agents handle their client's business affairs and wealth like that of an accountant or business manager. Additionally, they publicize and promote their clients, and provide them with long term planning (similar to that of a personal manager). Further, they seek employment on behalf of their clients through endorsements, sponsorships and speaking engagements much like that of a booking agent. Lastly, they negotiate their client's contracts and if the agent is a lawyer, he or she may very well aid in the drafting process. Athletes trust that these services will increase their value in the market, ease the transition from the playing field to the booth, and lead towards a prominent retirement.

These services are very intimate and personal, and in order to tailor them properly an agent must communicate with his or her client regularly.⁸⁴ Providing intimate and personal services comes

83. See *NFLPA Regulations*, *supra* note 46, at § 3(A)(1)–(17) (describing relationship between contract advisors and their clients).

84. See MODEL RULES OF PROF'L CONDUCT R. 1.1 – 1.18 (amended 2003) (providing ethical rules for attorneys). If the agent is a lawyer, the Model Rules of Professional Conduct further regulate his or her practice. The Rules most applicable to agent/lawyers are the following:

Rule 1.1 requires that agent/lawyers provide their clients with competent, skilled, knowledgeable, thorough, and prepared representation. *See id.* at 1.1.

Rule 1.2 requires that agent/lawyers allow their clients to set the ends of the relationship. *See id.* at 1.2. The agent/lawyer is then required to consult with the athlete as to the means he or she intends to use in meeting the ends. *See id.* This rule also allows the agent/lawyer to limit the scope of the representation, if a limitation is reasonable under the circumstances and the athlete gives informed written consent. *See id.* at 1.2(c). Informed consent means that the client is fully aware of the ramifications of any decisions made. *See id.* at 1.0(e) (stating definitions). Finally, this rule prohibits an agent/lawyer from counseling or assisting a client in regard to criminal or fraudulent behavior. *See id.* at 1.2(d).

Rule 1.3 requires that an agent/lawyer act reasonably, diligently, and

naturally to a sole practitioner, but less naturally to a large agency with multiple departments, sectors and junior agents. It is easier for a sole practitioner to establish trust with an athlete because he or she can “hold the client’s hand” and tailor services directly toward the needs of the athlete. Although the variety of service a large agency offers a player is valuable and cannot be discounted, the core of the industry is professional business intimacy.

Unfortunately, exorbitant registration fees and the multi-state game, make it difficult for sole practitioners to provide business intimacy. As a result, large agencies are becoming the norm in the agent industry. The 2004 NFL draft provides a fine illustration.

Rule 1.4 requires that an agent/lawyer inform his or her athlete client of the ramifications associated with any consensual decision the athlete makes. *See id.* at 1.4. This rule requires that the agent/lawyer inform the client about the status of all relevant matters promptly. *See id.*

Rule 1.5 requires that agent/lawyers keep fees reasonable. *See id.* at 1.5. If a fee is contingent, the agent/lawyer must present it to the athlete in writing. *See id.* at 1.5(c). Further, if fees are split with other agent/lawyers, the division must be in proportion to the services provided, the total fee must be reasonable, and the athlete client must agree to such division in writing. *See id.* at 1.5(e). This fee rule is very important in sports like Major League Baseball where the Players’ Association collective bargaining agreement does not limit agents’ fees and allows them to be negotiated freely.

Rule 1.6 requires that the agent/lawyer keep all information relating to representation of the athlete client confidential unless the athlete gives informed consent, or disclosure is necessary to prevent reasonably certain death, substantial bodily harm, criminal activity, fraud that will most likely result in substantial injury to the financial interests of another, or to secure legal advice about the agent/lawyer’s compliance with the Model Rules of Professional Conduct, establish a defense on behalf of the agent/lawyer, or to comply with another law or court order. *See id.* at 1.6.

Rules 1.7, 1.9, and 1.18, require that the agent/lawyer not represent an athlete if such representation will cause a conflict of interest with another current, former, or potential client. *See id.* at 1.7, 1.8, 1.9. If the current, former, or potential client gives informed written consent, the agent/lawyer may represent the athlete in most situations. *See id.*

Rule 1.8 requires that an agent/lawyer not enter into a business transaction with an athlete client unless the transaction and terms on which the lawyer acquires the interest are fair and reasonable, the athlete client is informed in writing about the opportunity to seek the advice of independent counsel on the transaction, and the client gives informed consent. *See id.* at 1.8. Additionally, the agent/lawyer shall not use information relating to the representation of the athlete client to her disadvantage unless he or she gives informed consent. *See id.* at 1.8(b). Further, the agent/lawyer shall not solicit any substantial gift from the client or testamentary gift, or prepare such a gift. *See id.* at 1.8(c). Lastly, prior to the conclusion of such representation, the agent/lawyer shall not make or negotiate an agreement that gives the lawyer literary or media rights to a portrayal based on the representation. *See id.* at 1.8(d).

Rule 1.10 states that if an agent/lawyer is in a firm and he or she is disqualified from representing an athlete due to a conflict with a potential client, the entire firm is disqualified through imputation. *See id.* at 1.10.

Out of the 224 players drafted in the traditional seven rounds, seventeen agencies had at least five or more players, for a total of 117 between them.⁸⁵ As mentioned, there are over 900 certified contract advisors registered with the NFLPA.⁸⁶ Thus, approximately 890 contract advisors compete for the remaining 107 athletes.

Competition is the backbone of American business and many would consider the 2004 draft's ferocious level of competition as business at its finest. They are wrong, however, because the competition there was not fair, courtesy of unaffordable registration fees.

As alluded to earlier, such unfairness is causing mergers and large-scale representation. Unfortunately, often times when a large agency represents an athlete, the athlete is in danger of becoming a number, instead of being a client with individual needs and characteristics. In the end, professional business intimacy is reduced.

Inadvertently, Section 2(g) furthers the move toward large agency representation, because partners in large agencies can assign clients to a contract advisor employee, who may have failed to sign a roster player on his or her own. Basically, a large firm can "spread" its clientele to ensure that none of its employees lose their certification. A sole practitioner does not have that luxury.

Before outlining the solution, we offer a word of caution. Big business domination leads to conglomeration, and conglomeration can be dangerous. One example is the music industry. Every time two major labels merge, thousands lose their jobs, from the senior executives at the top to the recording studio custodians at the bottom. In order to prevent a similar occurrence in the agent industry, we propose the following solution.

IV. SOLUTION

In order to assure fairness and reinforce professional business intimacy, the industry needs an affordable federal licensure for ath-

85. See Len Pasquarelli, *Ind. firm represents four first-rounders*, ESPN.COM, at http://sports.espn.go.com/nfl/columns/story?columnist=Pasquarelli_len&id=1809767 (May 26, 2004) (stating breakdown of firms that had at least five clients selected in traditional seven rounds, as follows: Domann & Pittman – 9, Octagon – 9, Priority Sports and Entertainment – 9, Rosenhaus Sports – 8, Sportstars – 8, ARM – 8, Maximum Sports – 8, Joel Segal – 8, SFX Sports – 7, Pro Sports & Entertainment – 4, IMG Football – 4).

86. See NAT'L FOOTBALL LEAGUE PLAYERS ASS'N CERTIFIED CONTRACT ADVISORS DIRECTORY 240-54 (2004) (stating number of contract advisors to illustrate stiff competition for athletes).

lete agents. The solution can be achieved in three steps: modifying the UAAA, amending SPARTA and revising Section 2(g).

A. Modifying the UAAA

The first step toward affordable federal athlete agent licensure is modifying the UAAA. As written, the means of registration are uniform, but registration fees are not. Hence, the unfair expenses that one must pay in order to compete in the industry. Fortunately, the remedy is simple; modify the UAAA by removing registration fees from Section Nine of the UAAA. In turn, the UAAA will be void of fees and lay the foundation for a SPARTA amendment.

B. Amending SPARTA

Amending SPARTA is the second step. Currently, twenty-two states have yet to adopt the UAAA. These twenty-two states, many of which do not require registration, remain hot beds for unethical athlete agents. To prevent unethical behavior, reduce student-athlete ineligibility, and protect academic institutions from sanctions, a federal law is needed to solidify registration in these states. This was the motivation behind SPARTA. However, as written, SPARTA is silent in terms of registration fees, and that silence leads to the aforementioned unfairness and reduction of professional business intimacy. Thus, an amendment is needed that will create a reasonable and fair registration fee.

The registration fee should effectively screen applicants and offset registration costs, yet not bar aspiring contract advisors from the industry. With these thoughts in mind, a one-time nationwide registration fee of \$2,000 per individual, plus an annual \$1,000 renewal fee would be appropriate. This figure would be exclusive of NFLPA and any other players' association fees.

Under this plan, the registration of the 900 plus NFLPA contract advisors will create large annual revenues. Additional thousands will be generated by the registration of athlete agents who are registered with the Major League Baseball Players Association, the National Hockey League Players Association and the National Basketball Players Association, as well as those who represent individual athletes, e.g. boxing.

The key to creating a fair registration fee is defining the word individual in a way that subjects every person to registration. Accordingly, SPARTA's definitions section must be amended to include a definition for individual. Such definition should read as

follows: "any one person acting for his or herself or within a business organization." This minor adjustment will assure equal fairness between all contract advisors and dissolve any registration advantage for large agencies. In turn, there will be less incentive for agents to form large agencies at the expense of professional business intimacy. Hopefully, it will help prevent conglomeration.

Opponents may argue that a lower fee will create a greater opportunity for runners and illegal funneling. Agent regulations, however, now have teeth at both the federal and state level. Thus, it will be difficult for agents to perform such acts without suffering the consequences.

C. Revising Section 2(g)

The final step in ensuring fairness and strengthening business intimacy is revising Section 2(g). Acknowledging the NFLPA's desire to decongest itself, an ouster clause, like Section 2(g), seems logical. However, the term of any ouster clause should be long enough to afford a contract advisor the opportunity to develop his or her practice, work with athletes and engage in fair competition. With these thoughts in mind, Section 2(g)'s term should be extended from three years to five years. Additionally, signing a practice squad player should satisfy league requirements.

Similarly, the NFLPA should cease researching the feasibility of adopting an amendment that would limit the number of contract advisors certified by the league. There is no reason why the NFLPA should seek to bar aspiring agents from pursuing the career of their choice, especially when it has an ouster clause in place. Imagine if the American Bar Association attempted to limit or cap bar admittance. There would be a plethora of actions brought nationwide.

V. CONCLUSION

Below Section Nine of the UAAA, its drafters wrote:

[A]thlete agent registration is the cornerstone of this act. High registration fees imposed by some states with existing acts have probably contributed to seemingly small numbers of registrants under these acts. The success of this act may be contingent upon the implementation of a reasonable fee structure that does not motivate non-compliance.⁸⁷

87. See UNIF. ATHLETE AGENTS ACT § 9, 7 U.L.A. 211 (Supp. 2000) (explaining high fees implemented by state law).

Recognizing their vision, we need to modify the UAAA, amend SPARTA, and revise Section 2(g), in order to create fair and reasonable federal athlete agent licensure and abolish the current exorbitant expense that is associated with the industry. In sum, the natural laws of supply and demand should govern entry into the contract advisor industry, not overly expensive registration fees.

APPENDIX A

State and Territory Adoptions of the UAAA

Alabama	Arizona	Arkansas
Connecticut	Delaware	District of Columbia
Florida	Georgia	Idaho
Indiana	Kansas	Kentucky
Maryland	Minnesota	Mississippi
Montana	Nevada	New York
North Carolina	North Dakota	Oklahoma
Pennsylvania	Rhode Island	Tennessee
Texas	Utah	U.S. Virgin Islands
Utah	Washington	West Virginia
Wisconsin		

States with Active UAAA Legislation in their Legislative Chambers

Illinois	Missouri	South Carolina
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States with Existing non-UAAA Athlete Agent Regulation Law

California	Colorado	Iowa
Louisiana	Michigan	Missouri
Ohio	Oregon	South Carolina

States and Territories Lacking Athlete Agent Regulations

Alaska	Hawaii	Illinois
Maine	Massachusetts	Nebraska
New Hampshire	New Jersey	New Mexico
Puerto Rico	South Dakota	Vermont
Virginia	Wyoming	

From the NCAA website at <http://www1.ncaa.org/membership/enforcement/agents/uaaa/history.html>.

APPENDIX B

UAAA State Registration Fees

State	Registration Fee	Reciprocity Registration Fee	Renewal Fee	Renewal Reciprocity Fee	Term	Other
Alabama	\$200	\$100	\$100	\$100	2 years	None
Arizona	\$20	\$20	\$20	\$20	2 years	None
Arkansas	\$500	\$100	\$500	\$100	2 years	None
Connecticut	\$200	\$200	\$200	\$200	1 year	None
Delaware	\$2,500	\$2,500	\$2,500	\$2,500	2 years	None
District of Columbia	\$515	\$515	\$515	\$515	2 years	None
Florida	\$750	\$750	\$445 on even years	\$445 on even years	1 year	None
Georgia	\$200	\$200	\$200	\$200	Term expires on June 30th of odd years	\$10,000 Bond
Idaho	\$250	\$250	\$250	\$250	Term expires annually on agents birthday	None
Indiana	\$700	\$700	\$700	\$700	2 years	None
Kansas	\$515	\$515	\$515	\$515	2 years	None
Kentucky	\$300	\$300	\$100	\$100	1 year	None
Maryland	\$1,000	\$1,000	\$1,000	\$1,000	2 years	None
Minnesota	\$500	\$500	\$400	\$400	2 years	None
Mississippi	\$100	\$100	\$50	\$50	Term expires June 30th annually	\$50 Filing Fee
Montana	\$200	\$200	\$200	\$200	2 years	None
Nevada	\$500	\$500	\$500	\$500	2 years	None
New York	\$100	\$100	\$50	\$50	2 years	None
North Carolina	\$200	\$200	\$200	\$200	1 year	None
North Dakota	\$250	\$250	\$150	\$150	2 years	None
Oklahoma	\$1,000	\$1,000	\$1,000	\$1,000	2 years	None
Pennsylvania	\$200 individual \$400 corporation	\$150 individual \$300 corporate	\$200 individual \$400 corporate	\$150 individual \$400 corporate	2 years	None
Rhode Island	\$100	\$100	\$100	\$100	1 year	None
Tennessee	\$500	\$500	\$200	\$200	2 years	None
Texas	\$1000 individual \$100 per individual in an entity	\$1000 individual \$100 per individual in an entity	\$1000 individual \$100 per individual in an entity	\$1000 individual \$100 per individual in an entity	1 year	None
Utah	\$510	\$510	\$510	\$510	2 years	None
Washington	\$0	\$0	\$0	\$0	None	None
West Virginia	\$50	\$50	\$10	\$10	2 years	None

Non-UAAA State Registration Fees

State	Registration Fee	Reciprocity Registration Fee	Renewal Fee	Transfer Renewal Fee	Term	Other
California	\$30	N/A	N/A	N/A	None	\$100,000 insurance coverage
Colorado	\$0	N/A	N/A	N/A	N/A	None
Iowa	\$300	N/A	\$300	N/A	1 year	\$25,000 Bond
Louisiana	\$100	N/A	\$100	N/A	Expires June 30th annually	None
Michigan	\$0	N/A	N/A	N/A	N/A	None
Missouri	\$500	N/A	\$500	N/A	2 years	None
Ohio	\$500	N/A	\$500	N/A	2 years	\$20,000 Bond
Oregon	\$250	N/A	\$250	N/A	1 year	None
South Carolina	\$300	N/A	\$300	N/A	2 years	None

From the NCAA website at <http://www1.ncaa.org/membership/enforcement/agents/uaaa/history.html>.

APPENDIX C

<i>NFL Club</i>	<i>States Represented</i>
Arizona Cardinals	25
Atlanta Falcons	33
Baltimore Ravens	28
Buffalo Bills	30
Carolina Panthers	28
Chicago Bears	29
Cincinnati Bengals	32
Cleveland Browns	28
Dallas Cowboys	28
Denver Broncos	29
Detroit Lions	31
Green Bay Packers	24
Houston Texans	28
Jacksonville Jaguars	28
Indianapolis Colts	30
Kansas City Chiefs	25
Miami Dolphins	26
Minnesota Vikings	29
New England Patriots	31
New Orleans Saints	27
New York Giants	31
New York Jets	30
Oakland Raiders	30
Philadelphia Eagles	26
Pittsburgh Steelers	27
St. Louis Rams	23
San Diego Chargers	26
San Francisco 49ers	26
Seattle Seahawks	32
Tampa Bay Buccaneers	26
Tennessee Titans	23
Washington Redskins	29

Average**28**

Data compiled by a roster review of 2003-2004 season
from the NFL website at <http://www.nfl.com>.