

Approved: 4-26-96
Date

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Senator Lana Oleen at 9:00 a.m. on March 28, 1996 in Room 254-E of the Capitol.

Members present were: Senator Oleen, Chair
Senator Tillotson, Vice Chair
Senator Jones, Ranking Minority Member
Senator Jordan
Senator Praeger
Senator Ramirez
Senator Vidricksen
Senator Walker

Members not present: Senator Gooch - excused
Senator Hensley - excused
Senator Papay - excused

Committee staff present: Mary Galligan, Legislative Research
Mary Torrence, Revisor
Nancy Wolff, Committee Secretary

Conferees Appearing Before the Committee:
Coach Bill Snyder - Head Football Coach for Kansas State
Janet Chubb - Secretary of State's Office
Merle Hill - Kansas Association of Community Colleges
Sue Peterson - Kansas State University

Others attending meeting: See attached list

Coach Snyder testified in support of **HB3081**, the Kansas athlete agent regulation act. He stated that the bill is needed to allow the state to regulate the recruitment of high school and college athletes for professional sports by unscrupulous agents.

Janet Chubb from the Secretary of State's office also testified in support of the bill and stated that there would be a \$100,000 fiscal note associated with the bill. She said that her office would administrate the bill and that 22 other states have already enacted some form of regulatory requirements for sports agents (Attachment 1).

Merle Hill representing the Kansas Association of Community Colleges also testified in support of the bill (Attachment 2).

The meeting was adjourned at 9:55 a.m.

FEDERAL & STATE AFFAIRS COMMITTEE
 GUEST LIST
 DATE: 3-28-96

~~2:00 p.m.~~
 9:00 A.M.

NAME	REPRESENTING
Alice Thomas	Interested in keeping the Woodland
Therese Ogden	Interested in keeping the Woodlands alive
E. S. Hedlund	Pro. for Woodlands
Mary Becker	" " "
Tom Bruno	Allen & Assoc.
Jack & Mary Land	
Alan Steppatt	PETE MCGILL & Associates
Christy Bailey	Senator Harr
Jim McHaff	KS AFK-CIO
Jim Edwards	KCCF
Gudrun Snyder	American Legion
PHILIP HURLEY	PAT HURLEY & CO.
Druce Rimbo	The Woodlands
Susan Wagner	The Woodlands

Ron Thornburgh
Secretary of State



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STATE OF KANSAS

SENATE FEDERAL AND STATE AFFAIRS

March 28, 1996

Hearing on HB 3081

Chair Oleen and members of the committee:

Secretary Thornburgh appreciates the opportunity to comment on HB 3081. This bill provides for the registration and regulation of athlete agents by the secretary of state's office.

Our testimony is based upon interviews and a cursory examination of the industry and the proposed legislation. The public policy promoted by HB 3081 seeks to protect young athletes from unconscionable contracts and fraudulent practices.

Passage of this bill would assign new duties to the secretary of state's office. HB 3081 requires the secretary to "actively enforce" the act by conducting investigations, approving contracts, exercising subpoena power, issuing and revoking registrations and assessing fines up to \$25,000, among other duties, all pursuant to the Kansas administrative procedure act. These regulatory responsibilities have never been assigned to our office. However, the filing duties identified by HB 3081 are similar to other statutory filings performed by the secretary of state's office.

If the legislature adopts this legislation and determines that the secretary of state is the appropriate enforcement agency, we are capable of executing the regulatory scheme contemplated by HB 3081. All we ask is that, if we are assigned this duty, we be given the necessary enforcement tools and funding to establish the standard of "active enforcement" set out by the act.

*Attachment 1
Senate Fed & State Affairs
3/28/96*

Chart -- summarizes NCAA legislation summary, February 1995.
 Color coding and notes -- summarize SOS telephone interviews, March 27, 1996.

	SOS	suspend/ revoke	civil penalty	misdemeanor	felony	imprisonment	forfeiture	refund	rescind/cancel contract	void contract	atty fees/ court costs
HB 3081	X	X	X	X			X	X	X	X	X
AL	X		X		X	X				X	
AR	X						X			X	
CA			X	X		X				X	
FL		X	X	X	X	X			X	X	
GA		X	X		X	X	X			X	
IN			X		X	X					
IA	X		X	X		X	X	X	X	X	
KY			X	X		X					
LA	X	X	X	X		X	X	X	X	X	
MD		X	X			X	X	X	X	X	X
MI	X		X	X		X					
MN	X		X					X		X	
MS	X		X			X	X	X		X	
*NV	X		X	X		X			X	X	
NC	X	X	X		X	X	X	X	X	X	X
OH	X		X	X		X				X	
OK	X	X	X	X		X	X	X	X	X	
PA			X	X		X					
SC			X	X	X	X			X	X	
TN			X						X	X	
**TX	X	X	X	X		X	X	X	X	X	
WA	X			X	X						



yellow box: filing only, no regulatory powers
 green box: limited regulatory powers, no active enforcement

* no filing or enforcement

** reports has not had 10 convictions, as reported, in last two years:
 two "reports of violation," one multi-party settlement of \$16,500.

2-1



KANSAS ASSOCIATION OF COMMUNITY COLLEGES

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W. Merle Hill
Executive Director

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To: **Senatee Committee on Federal and State Affairs**

From: Merle Hill

Date: March 28, 1996

Subj: **House Bill No. 3081, an act concerning regulation of athlete agents**

Thank you, Madam Chairman and members of the Committee. I am Merle Hill, executive director of the Kansas Association of Community Colleges, and I am speaking today in behalf of the athletic directors of the 19 Kansas community colleges.

The 19 community college athletic directors support House Bill No. 3081 and are pleased to see that such action is being recommended to protect the interests and rights of student athletes. One of the athletic directors informed me that what we know about sports agents and their contacts with young colleges athletes" is just the tip of the iceberg."

This individual, who played in the National Football League for eight years, said he got to know sports agents quite well during his professional sports career. He suggested that is certainly time for the state to restrict the activities of athlete agents and to protect young college athletes from the "vultures." He did not choose that word lightly.

The athletic directors of the Kansas community colleges strongly support HB 3081 and would request that you recommend it favorably for passage.

Thank you. I shall be glad to stand for questions.

*Attachment 2
Senate State Fed Affairs
3/28/96*