

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2806-01
Bill No.: SB-739
Subject: Secretary of State: Athletes, Universities
Type: Original
Date: January 18, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>All</u> State Funds *	Unknown	Unknown	Unknown

* Revenue from fines and fees are not expected to exceed \$100,000 annually.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of Secretary of State** assume no administrative impact. Officials stated that currently 18 agents are registered. Officials are uncertain how many agents might register in a single year, or how many inactive agents might register. Therefore, officials assume that income from fees is unknown, however, officials assume the amount would be less than \$100,000 annually.

Officials of the **Department of Corrections** stated that the penalty provision of Section 436.257 would have no fiscal impact on the Department of Corrections.

Officials of the **Department of Revenue** assume no fiscal impact.

Officials of **Truman State University** and **Central Missouri State University** assume no fiscal impact.

Section 436.263 allows the Secretary of State to assess a civil penalty against an athlete agent not to exceed \$25,000 for a violation of Sections 436.215 to 436.272. Oversight assumes there would be substantial compliance by agents registering with the Secretary of State; however, fiscal impact will be shown to General Revenue as \$0 to Unknown. Fiscal impact in a given year would not be expected to exceed \$100,000. Section 436.272 states that any moneys collected by the Secretary of State, pursuant to this act would be deposited in the State treasury to the credit of General Revenue.

The Coordinating Board for Higher Education, University of Missouri, and Southwest Missouri State University, did not respond to this fiscal note request, however, in response to similar legislation from last session, these entities stated there would be no fiscal impact.

Southeast Missouri State University, and Lincoln University did not respond.

	FY 2003 (10 Mo.)	FY 2004	FY 2005
<u>FISCAL IMPACT - State Government</u>			

GENERAL REVENUE FUND

<u>Income</u> to Secretary of State from registration fees (Section 436.239)	Unknown	Unknown	Unknown
--	----------------	----------------	----------------

<u>Income</u> to Secretary of State from penalty (436.263)	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
--	------------------------------	------------------------------	------------------------------

ESTIMATED NET EFFECT TO STATE GENERAL REVENUE FUND*	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
--	-----------------------	-----------------------	-----------------------

* Revenue from fines and fees combined are not expected to exceed \$100,000 annually.

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

Agents either working for or operating as a small business could expect fiscal impact from paying fees.

DESCRIPTION

This act establishes the "Uniform Athlete Agents Act".

The act requires that all athlete agents operating in Missouri must register with and be certified by the Secretary of State's Office in a manner prescribed by statute and by the Secretary of State. Registration and certification is valid for a two-year period, and may be renewed indefinitely. The Secretary may refuse to issue a certificate, or may suspend or revoke a certificate, under certain circumstances, such as:

DESCRIPTION (continued)

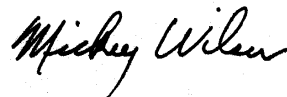
(1) If the applicant has been convicted of a crime of moral turpitude; (2) The applicant makes false statements on the application; (3) The applicant has had a similar license suspended or revoked in any state; or (4) The applicant has caused a student-athlete to be suspended from or to be ineligible for any interscholastic or intercollegiate athletic event.

The act requires that all agent-athlete contracts must be written and must contain certain information, including the basis for the agent's fee and a notice warning the student-athlete about possible loss of eligibility. The act also regulates the activities of agents and makes a violation of such regulations a Class B misdemeanor. The act subjects agents to civil penalties and damages for regulatory violations.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Corrections
Secretary of State
Department of Revenue
Coordinating Board for Higher Education
Truman State University
Central Missouri State University
Southwest Missouri State University
University of Missouri



Mickey Wilson, CPA
Acting Director
January 18, 2002