

COMMITTEE ON LEGISLATIVE RESEARCH  
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2806-04  
Bill No.: HCS for SCS for SB 739  
Subject: Secretary of State: Athletes, Universities  
Type: Original  
Date: May 14, 2002

FISCAL SUMMARY

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Athlete Agent*	Unknown	Unknown	Unknown
General Revenue	(\$3,000)	(\$1,032 to Unknown)	(\$1,032 to Unknown)
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$3,000) to Unknown</b>	<b>(Unknown) to Unknown</b>	<b>(Unknown) to Unknown</b>

\* Unknown income is from registration fees which would be determined by the Director.

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

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

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 5 pages.

FISCAL ANALYSIS

### ASSUMPTION

Officials of the **State Treasurer's Office** and the **Office of State Courts Administrator** assume no fiscal impact.

Officials of the **Office of Secretary of State** assume that this proposal would impact the Administrative Rules Division. Officials stated that the Division of Professional Registration would promulgate rules, and regulations pursuant to this proposal. Officials estimate that as many as 30 pages would be published in the *Code of State Regulations*. Officials stated that for any given rule, roughly half again as many pages are published in the *Missouri Register* in the Code because cost statements, fiscal notes, and the like are not repeated in Code. The estimated cost of a page in the Missouri Register is \$23.00. The estimated cost of a page in the Code of State Regulations is \$27.00. The actual cost could be more or less than the numbers given. The impact in future years is Unknown and depends upon the frequency and length of rules filed, amended, rescinded, or withdrawn. Officials estimated costs in FY 2003 at (\$1,968) and would be (Unknown) in FY 2004, and 2005. Officials assume there would be a savings from the transfer of (.50 FTE) Clerk Typist II, whose current salary is \$7,968, and with supplies cost of \$300 annually.

Officials of the **Department of Economic Development- Professional Registration** assumes that the necessary appropriation and fund amount would be transferred from the Secretary of State to the Division of Professional Registration. Officials assume that the appropriation amount would include, at a minimum, the necessary expense and equipment to cover expenses. Officials assume that the Division of Professional Registration could absorb the personal service duties associated with the proposal. Officials state that the Secretary of State's Office stated that there are currently less than 35 agents registered.

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

**Oversight assumes that the Secretary of State would lose some administrative functions as they would no longer need (.50 FTE) Clerk Typist II and supplies all associated with registering athlete agents. In fiscal note 2806-01 the Secretary of State stated that currently their Office registers 18 athlete agents. For purposes of this fiscal note Oversight assumes that a .50 Clerk Typist would not be needed to register 18 athlete agents. Oversight assumes that Professional Registration would need supplies. Therefore Oversight will show fiscal impact to Professional Registration as supplies only of \$300 annually. Oversight assumes registration duties could be handled with current staffing and appropriation.**

ASSUMPTION (continued)

**Oversight assumes that should Professional Registration be unable to register 18 agents annually without additional staff, then they could justify funding during the**

**appropriations process. Oversight assumes that current registration fees go to the State's General Revenue Fund. This proposal has the fee deposited in the Athlete Agent's Fund. Oversight will show the loss of income from registration fees to the General Revenue Fund. The GR Fund could have money transferred from the Athlete Agent Fund but only under certain conditions (see Section 436.239.1).**

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

<u>Savings</u> to Secretary of State reduction in duties, expense and equip.	\$8,268	\$8,268	\$8,268
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<u>Loss</u> to Secretary of State from \$500 registration fee *	(\$9,000)	(\$9,000)	(\$9,000)
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<u>Cost</u> to Secretary of State Publication of Rules and Regulations **	(\$1,968)	(Unknown)	(Unknown)
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<u>Cost</u> to Dept of Economic Development- Division of Professional Registration for Expense and Equipment	<u>(\$300)</u>	<u>(\$300)</u>	<u>(\$300)</u>
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<b>ESTIMATED NET EFFECT TO STATE'S GENERAL REVENUE FUND **</b>	<b><u>(\$3,000)</u></b>	<b><u>(\$1,032 to Unknown)</u></b>	<b><u>(\$1,032 to Unknown)</u></b>
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**\* Oversight assumes \$500 registration fee x 18 athlete agents equal \$9,000.**

**\*\* Unknown cost would not exceed \$100,000 annually.**

**ATHLETE AGENT FUND**

<u>Income</u> to Department of Economic Development-Professional Registration from registration fees (Section 436.239)	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>
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<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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<b>ESTIMATED NET EFFECT TO STATE ATHLETE AGENT FUND*</b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>
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**\*Funds which exceed the appropriate multiple of the appropriations from such fund may be transferred to the State's General Revenue Fund. Funds cannot be transferred earlier than two years following the effective date of this section which would be FY 2005.**

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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	\$0	\$0	\$0
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#### 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 Division of Professional Registration within the Department of Economic Development in a manner prescribed by statute and by the Division of Professional Registration. Fees for registration and renewal shall be set by the Division and the Athlete Agent Fund is created. Registration and certification is valid for a two-year period, and may be renewed indefinitely. The Director 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.

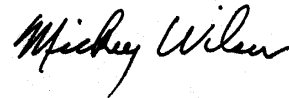
The act requires that all agent-athlete contracts must be written and must contain certain information, including the basis for the agent's fee and a notice warning the student-athlete about possible loss of eligibility.

Section 620.010 has been added which requires the Governor when making appointments to certain Boards listed in section 620.010, to do so from a list of nominees submitted by the Director of the Division of Professional Registration. Currently the Governor would make appointments from a list submitted by the Director of the Department.

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

Office of State Treasurer  
Office of Secretary of State  
Office of State Courts Administrator  
Department of Economic Development- Division of Professional Registration  
Department of Revenue  
University of Missouri



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Acting Director  
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