Approved: April 4, 2003

MINUTES OF THE SENATE JUDICIARY COMMITTEE.

The meeting was called to order by Chairman John Vratil at 9:35 a.m. on February 13, 2003, in Room 123-S of the Capitol.

All members were present.

Committee staff present: Mike Heim, Kansas Legislative Research Department

Lisa Montgomery, Office of the Revisor of Statutes

Dee Woodson, Committee Secretary

Conferees appearing before the committee:

Richard Hite, Wichita Atty., representing National Conference of Commissioners on Uniform State Laws

Becky Endicott, Wichita State Sr. Associate Athletic Director and Sr. Women's Administrator

Coach Bill Snyder, Kansas State University

Dr. Kay Schallenkamp, President Emporia State University and President of the NCAA Division II President's Council (written only)

Gary White, Kansas Trial Lawyers

Others attending: see attached list

SB 61- Enacting the uniform athlete agents act

Chairman Vratil opened the hearing on <u>SB 61</u>. Richard Hite testified in support of <u>SB 61</u>, and shared that he served as the Chair of the Committee of the Uniform Law Conference which drafted the Uniform Athlete Agents Act. He stated that the act had been adopted in seventeen states, and is currently pending on the legislative calendars of eight other states. He explained what the provisions of the bill were including required registration of athlete agents, information which must be submitted by an applicant for registration is set out specifically, grounds upon which the Secretary of State may deny registration are listed, etc. He stated that uniformity is essential to reciprocity, and that uniformity encourages registration. He said provisions for reciprocity are found in the sections of the act relating to registration. He included a copy of the drafted Uniform Athlete Agents Act (2000) with his written testimony. (Attachment 1)

Chairman Vratil explained the two proposed amendments that were to be submitted by the Kansas Trial Lawyers Association's representative in later testimony, and asked Mr. Hite to comment on them. The first concerned a provision in Section 15(a) which allows the Court, but does not mandate the Court, to award attorney fees and costs to the prevailing party which is contrary to the American Rule. Mr. Hite responded that if the bill was amended to remove that provision that it was not critical to the uniformity of reciprocity and would not destroy the basis of the bill. The Chair asked for an explanation of the other amendment which varies from common law regarding Section 15(d) that provides the liability of the athlete agent or student-athlete "is several not joint", and why it was written that way. Mr. Hite responded that it basically was for the protection of the student athlete from being sued by the university for acts perpetrated by an athlete agent.

CONTINUATION SHEET

MINUTES OF THE SENATE JUDICIARY COMMITTEE on February 13, 2003 in Room 123-S of the Capitol.

Conferee Endicott testified in support of <u>SB 61</u>, and explained that in 1996 the Kansas Legislature enacted the Kansas Athlete Agents legislation K.S.A. 44-1506. She said that this legislation was the first step in protecting the student-athletes and universities against illegal athlete agent conduct, and it is imperative that Kansas take the next step and enact the Uniform Athlete Agents Act. She explained how the legislation impacts student-athlete welfare. Ms. Endicott stated that by enacting this legislation Kansas will be providing student-athletes protection along with providing universities the ability to pursue civil lawsuits against an agent who causes unjust problems for a student-athlete or university. (Attachment 2)

Conferee Snyder appeared before the Committee in support of **SB 61** and on behalf of the Kansas State University Athletic Department. He spoke about the illicit practices of some athlete agents and the serious problems they cause for student-athletes and educational institutions. He explained the ramifications from the impermissible and oftentimes illegal practices that effect the student-athlete as well as the institutions. He said currently there are four agents that are registered in Kansas when there are probably 100 out there soliciting athletes. He added that the Uniform Athlete Agent Act is strongly supported by the NCAA and its 1,000 member institutions. He concluded with the statement that the Act will provide protections for student-athletes and institutions while also providing a consistent, uniform, cost-effective regulatory system for agents to conduct their business. (Attachment 3)

Committee questions concerned how the law would be enforced, and that the Secretary of State's Office could assess a civil penalty of up to \$25,000 for violation which may be recovered in a civil action brought by the Attorney General at the request of the Secretary.

Written testimony in support of <u>SB 61</u> was submitted by Dr. Kay Schallenkamp, President of Emporia State University, and serves as President of the NCAA Division II President's Council. (Attachment 4)

Gary White testified as a neutral conferee on <u>SB 61</u>, and he currently serves as Vice President of Legislation for the Kansas Trial Lawyers Association (KTLA). He said that KTLA has no objections to the substantive provisions of <u>SB 61</u>, but were concerned that the remedial provisions of the proposed legislation violates longstanding principles of American law. He offered the two amendments that Chairman Vratil had spoke on earlier. He explained that the amendments merely conform the remedial provisions of the bill to current Kansas law, and do not effect the substantive provisions of <u>SB 61</u> or an educational institution's ability to make a damage claim against an athlete agent or former student-athlete. (Attachment 5)

After Committee discussion and questions, the Chair closed the hearing on **SB 61.**

Final Action on:

SB 64 - Clarification of Kansas Offender Registration Act

Chairman Vratil reviewed **SB 64**, and consisted of technical corrections and definitions. <u>Senator</u> Goodwin moved to pass **SB 64** out favorably, seconded by Senator Donovan, and the motion carried.

The meeting was adjourned at 10:30 a.m. The next scheduled meeting is February 14, 2003.