**5** 

## HOUSE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO ANALYZE THE PROBABLE EFFECTS OF THE PROPOSED REGULATION OF ATHLETE AGENTS AND ASSESS WHETHER ITS ENACTMENT IS CONSISTENT WITH STATE POLICY.

WHEREAS, the Legislature finds that with the proliferation of professional sport franchises in the United States and the immense sums now paid to athletes for commercial endorsement contracts, there is a need to regulate athlete agents; and

WHEREAS, the Legislature further finds that the commercial marketplace in which athlete agents operate has become very competitive; and

WHEREAS, in this competitive marketplace unscrupulous agents recruit student-athletes while they are still enrolled in an educational institution, which may cause substantial eligibility or other problems for both the student and the school; and

WHEREAS, H.B. No. 2440 was introduced in the 2006 Regular Session to enact a Uniform Athlete Agents Act (Act) to provide for the registration, certification, and background check of athlete agents seeking to represent student athletes; and

WHEREAS, the Act would further require athlete agents to disclose:

- (1) Their training, experience, and education;
- (2) Whether they or an associate have been convicted of a felony or crime of moral turpitude;
- (3) If they have been administratively or judicially determined to have made false or deceptive representations;

- (4) If they have had their agent's license denied, suspended, or revoked in any state; or
- (5) If they have been the subject or cause of any sanction, suspension, or declaration of ineligibility; and

WHEREAS, the Act would prohibit athlete agents from providing materially false or misleading information or making a materially false promise or representation with the intent of entering a student athlete into an agency contract; and

WHEREAS, in summary, the Act would provide important provisions for student athletes and the educational institutions where they compete, create a uniform body of agent registration information for use by state agencies, and simplify the regulatory environment for legitimate athlete agents; now therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-third Legislature of the State of Hawaii, Regular Session of 2006, the Senate concurring, that the Auditor is requested to:

- (1) Analyze, in accordance with section 26H-6, Hawaii Revised Statutes, the probable effects of the proposed regulation of athlete agents as contained in H.B. No. 2440, Regular Session of 2006; and
- (2) Assess whether the enactment of H.B. No. 2440, Regular Session of 2006 would be consistent with state policy; and

BE IT FURTHER RESOLVED that the Auditor is requested to report any findings and recommendations to the Legislature not later than twenty days prior to the convening of the Regular Session of 2007; and

1
2
3
4
5
6

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Auditor and the Director of Commerce and Consumer Affairs.

OFFERED BY:

B - N

MAR 1 4 2006