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FISCAL IMPACT REPORT

SPONSOR	Taylor	ORIGINAL DATE LAST UPDATED	HB	
SHORT TITLE Uniform Athletes Agents Act			 SB	106/aSPAC

ANALYST White

REVENUE (dollars in thousands)

	Recurring or Non-Rec	Fund Affected		
FY07	FY08	FY09		
	(\$.01)	(\$.01)	Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$0.1	\$0.1	\$0.1	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> New Mexico Corrections Department (NMCD) Athletic Commission of the Regulation and Licensing Department Secretary of State Office (SOS)

SUMMARY

Synopsis of SPAC Amendment

The Senate Public Affairs Committee Amendment authorizes the New Mexico State Athletic Commission to be responsible for administering the provisions of the act by acting as a professional licensing board. This not only reassigns jurisdiction to an experienced athletic licensing board it also eliminates the substantial costs of creating a professional licensing board within the Secretary of State's Office. While there may be significant costs associated with

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widening the jurisdiction of the NM Athletic Commission they will be substantially lower than those related to creating an entirely new licensing board. According to the NM Athletic Commission costs will include additional staffing and office equipment which are indeterminate at this time.

Furthermore the Amendment eliminates civil liability from the student athlete. Therefore educational institutions may only recoup losses from the Athlete Agent in civil court.

Synopsis of Original Bill

Senate Bill 106 creates the Uniform Athletes Agents Act intended to protect potential professional athletes and their educational institutions. The act states that an athlete agent who, with the intent to induce a student athlete into an agency contract, gives materially false or misleading information and or furnishes anything of value to the student athlete before entering into an agency contract or engages in other acts named in section 15 of the Bill, is guilty of a misdemeanor and may be liable for civil damages as well. Furthermore a student athlete found to be in collusion with said athlete agent may also be liable for civil damages. The act also authorizes the Secretary of State to be responsible for administering the provisions of the act by acting as a professional licensing board.

FISCAL IMPLICATIONS

Fiscal implications for Senate Bill 106 are minimal to none based upon analysis from the New Mexico Corrections Department. The reasoning for which is that very few individuals convicted of misdemeanors actually end up in the Department's prisons or on its probation/parole caseloads. However, a few individuals are convicted of misdemeanors may receive probation supervision from the Department. The minimal impact shown in the tables above is based upon this possibility.

The cost per client in Probation and Parole for a standard supervision program is \$1,467 per year. The cost per client in Intensive Supervision programs is \$3,383 per year. The cost per client in department-operated Community Corrections programs is \$3,503 per year. The cost per client in privately-operated Community Corrections programs is \$7,917 per year. The cost per client per year for male and female residential Community Corrections programs is \$39,401.

Furthermore this Bill empowers the Secretary of State's office to act as a professional licensing board. This is a role that it has not played in the past and therefore would create some additional costs related to the creation of a licensing department within the Office of Secretary of State. These costs should be minimal and include such necessities as additional computers and staff. The majority of these costs should be taken care of through the application and licensing fees being paid by the Athlete Agent applicants, however there is a possibility that some costs will not be completely covered by those fees which are discussed in Section 9 of the Bill.

SIGNIFICANT ISSUES

This Bill not only protects potential professional athletes from being taken advantage of by potential athlete agents it also financially protects the educational institutions in which these athletes are enrolled by allowing them to be compensated through civil action.

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Additionally the state already has a professional licensing board related to these types of issues in the New Mexico State Athletic Commission which is attached to the State's regulation and Licensing Department.

ALTERNATIVES

The bill could be amended after Section 3 and excluding Section 17 to replace "Secretary of State" with "Athletic Commission." This could alleviate any additional costs relating to the creation of a licensing department within the Secretary of State Office.

DAW/mt