

LFC Requester:	Rene Montoya
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**AGENCY BILL ANALYSIS
2019 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:
Original **Amendment** _____
Correction _____ **Substitute** _____

Date 2/18/19
Bill No: HB575

Sponsor: Rep. Madrid, Rep. Lara
Short Title: ATHLETE AGENTS ACT
CHANGES

Agency Name and Code
Number: 924 PED
Person Writing Daniel Manzano
Phone: 505-670-3820 **Email** Daniel.Manzano@state.nm.us

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
NFI	NFI	Nonrecurring	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
NFI	NFI	NFI	Nonrecurring	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	N/A	Nonrecurring	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: None as of 2/15/19

Duplicates/Relates to Appropriation in the General Appropriation Act: None as of 2/15/19

SECTION III: NARRATIVE

BILL SUMMARY

House Bill 575 (HB575) Amends portions of Chapter 61, Article 14F NMSA 1978 (Uniform Athlete Agents Act), extending provision in the act that apply to student athletes to parents or guardians of student athletes who are minors. HB575 also provides for certified athlete agents paying qualified expenses incurred before the signing of an agency contract to student athletes, family members and others. HB575 extends prohibitions on athlete agents to other persons acting on the agents' behalf.

FISCAL IMPLICATIONS

There are no fiscal implications for the Public Education Department (PED)

SIGNIFICANT ISSUES

HB575 amends Chapter 61, Article 14F in recognition that not all student athletes have reached the age of majority and are legally able to enter into contracts. References to student athletes throughout the act have been changed to indicate the legally responsible party, either the student athlete who is not a minor, or the parent of guardian of the student athlete who is a minor.

HB575 extends prohibitions on athlete agents to other acting on their behalf, including the prohibition on lying, or furnishing anything of value to the student or another individual in order to induce the student athlete who is not a minor or the parent or guardian of a student athlete who is a minor. HB575 also extends the prohibition on contacting student athletes without being a registered athlete agent, refusing inspection of records, lying on athlete agent applications, predating and postdating contracts, and failing to notify student athletes that signing a contract may make them ineligible to participate as a student athlete.

HB575 allows for athlete agents to pay certain qualifying expenses for student athletes, family members and others prior to the signing of an agency contract, so long as the payments meet national association standards. However, prior to paying such an expense, the athlete agent shall notify the New Mexico secretary of state of the agent's certification by the national association that certified the agent and other information as may be required by the secretary.

While HB575 increases accountability by extending prohibitions on athlete agents to others

working on the athlete agents' behalf, providing the exception for athlete agents to provide payment for certain student athlete's and others' expenses may be injurious to the Act's ability to limit the persuasive effects of material goods on inducing a student athlete, or the athlete's parent or guardian from entering into an agency contract.

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

The Public Education Department (PED) would need to notify the athletic directors responsible for administering the overall athletic programs in the schools of the changes in the law.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None as of 2/15/2019

TECHNICAL ISSUES

None as of 2/15/2019

OTHER SUBSTANTIVE ISSUES

None as of 2/15/2019

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The provisions of the current law would still pertain to student athletes and athlete agents.