

are a few very unscrupulous, very unethical agents who take advantage of athletes by inducing them to sign agreements and not providing proper representation to them. I passed out a handout which lists the arguments for passage of LB 224. This handout was brought to us by Coach Osborne on behalf of himself and the Athletic Department at the University. You'll notice there he lists four basic arguments. The first one is that often athletes do not know the qualifications of sports agents who contact them. A sports agent has no real certification process that he or she must go through in order to represent an athlete. All you have to do is call yourself a sports agent and there have been numerous problems created when athletes sign with a sports agent thinking the sports agent has legal training or an accounting background or business training, only to find out that the sports agent is totally unqualified to represent the athlete. And this is because sometimes the sports agents have not only negotiated contracts, but agreed to handle the investments of the athlete. There have been a lot of horror stories where athletes have been misled and have invested their money through their sports agents only to find out that such investments were very poor investments and as a result athletes have lost significant sums of money. The second thing is that if a sports agent enters into a representation agreement with an athlete before that athlete's eligibility is completed, then that athlete may lose his or her eligibility for the remaining part of their collegiate career and many of these athletes sign these representation agreements and are told by the sports agents who are unscrupulous that since the representation agreement will not take effect until after the season, then they postdate these agreements that, therefore, they don't jeopardize their eligibility and, in fact, they do. And, of course, if an athlete is competing in the middle of the season, and there have been examples in other states where football players and basketball players have lost their eligibility during the middle of the season and have not been able to complete that season. The third thing addresses the issue of fees. Coach Osborne talks about the Mike Rozier incident. I told you the average fees for representation in negotiating a contract with a professional sports team is usually around 3 percent, at most 5 percent. This particular agent charged 13 percent and there are a few agents who do try to charge exorbitant fees and they try to charge that percentage often in the first year, up front, so if they sign an athlete to a three-year contract, for example, say for...just for the sake of an estimate, say it's just \$100,000 a year, a \$300,000 contract. Often a sports agent