

be using an agent. Does an athlete ever act upon his own initiative without an agent?

SENATOR McFARLAND: Very seldom. Occasionally that does happen. It happened in my circumstances. I contacted an agent who I knew through a friend of mine in graduate school, but that's very, very unusual. Usually if an athlete is any good, has any reputation and marketability, he or she is besieged by agents wanting to represent them.

SENATOR SCHMIT: What is the principal reason for the \$250,000 (sic) bond? Who does it protect and how is it brought into play?

SENATOR McFARLAND: The \$25,000 bond is there so that if, in fact, an athlete has been cheated or taken advantage of by a sports agent and that athlete brings suits in the court of our state, if that sports agent doesn't have property within the State of Nebraska, the athlete agent, or, excuse me, the athlete can go after that bond as part of the damages that he or she can recover if they are successful with the lawsuit.

SENATOR SCHMIT: In your estimation what percentage of that athlete's value is represented by the \$25,000 bond?

SENATOR McFARLAND: I think for the majority of athletes who sign contracts with sports agents, that would cover a significant portion of the representation fee that the agent would get.

PRESIDENT: One minute.

SENATOR McFARLAND: But then you run into situations where you have a Mike Rozier who is the first pick in the draft and he is signing a... I think he signed a \$4 million contract. Thirteen percent or \$4 million ended up being like \$500,000, so it would not cover someone like him, a superstar athlete of sorts, but for the majority of people, the athletes who are maybe not drafted as a top pick, it would cover a substantial portion of the representation fees charged.

SENATOR SCHMIT: Thank you, Senator. I can understand some of the concerns that the introducers of the bill have expressed here and I can understand their desire to eliminate perhaps some undesirable individuals who might purport to represent athletes