ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

| 1. Type of Estimate and Analysis ☑ Original □ Updated □Corrected | 2. Date July 23, 2020 | |
|--|---|--|
| 3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) SPS 150 to 154 | | |
| 4. Subject Athlete agent registration. | | |
| 5. Fund Sources Affected | 6. Chapter 20, Stats. Appropriations Affected | |
| 7. Fiscal Effect of Implementing the Rule ☑ No Fiscal Effect ☐ Increase Existing Revenues ☐ Indeterminate ☐ Decrease Existing Revenues | □ Increase Costs □ Decrease Costs □ Could Absorb Within Agency's Budget | |
| Local Government Units Publi | ific Businesses/Sectors c Utility Rate Payers I Businesses (if checked, complete Attachment A) | |
| 9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$0 | | |
| 10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)? Yes Xoo | | |
| 11. Policy Problem Addressed by the Rule The athlete agent statutes were revised when the legislature adopted the RUAAA this legislative session. The administrative rule section for athlete agents must be revised to reflect applicable statutory changes as well as to remove obsolete and duplicative rule provisions. For example, the rules list fee amounts and reference processes that are either no longer used or are covered by other sections of the SPS code. | | |
| 12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments. The rule draft was posted on the department's website for 14 days to solicit economic impact comments from these entities. No comments were received. | | |
| 13. Identify the Local Governmental Units that Participated in the Development of this EIA. The rule draft was posted on the department's website for 14 days to solicit economic impact comments from these entities. No comments were received. | | |
| Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred) None. | | |
| | | |
| 15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule The benefit of implementing the rule is to ensure that the administrative rules relating to athlete agent registration reflect current agency practice, and appropriately reflect and complement the statutory requirements. Not implementing the rule will result in stakeholder confusion as to process and what the law requires of them to register as an athlete agent. | | |
| 16. Long Range Implications of Implementing the Rule The long range implication of implementing the rule is that the athlete agent rules will accurately reflect current agency practices and more appropriately complement the statutes. | | |
| 17. Compare With Approaches Being Used by Federal Government | | |

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The Sports Agent Responsibility and Trust Act regulates athlete agents at the federal level.

Consumer Protection Provisions: 15 U.S.C. § 7802 to 7804

Athlete agents are prohibited from using false or misleading promises or things of value to persuade an athlete into signing an agency contract. It also requires a disclosure be provided to the athlete or his parent/guardian, and be acknowledged, that signing an agency contract may terminate the athlete's eligibility to participate in college athletics, and that the athlete and the athlete agent must both inform the athletic director of the athlete's institution of the contract within 72 hours. Further, athlete agents are prohibited from pre or post-dating a contract. Enforcement is carried out under the Federal Trade Commission Act or may be investigated, and violations pursued by a state attorney general.

Protections for Educational Institutions: 15 U.S.C. § 7805

Educational institutions affected by an agency agreement may sue athlete agents for damages.

Sense of Congress Declaration: 15 U.S.C. § 7807 Congress recommends that states adopt the UAAA.

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota) Illinois:

Illinois has repealed its athlete agent act and no longer requires or issues a credential for the athlete agent profession.

Iowa:

Iowa does not have administrative rules regulating athlete agents but adopts the UAAA in statute (IA Stats. § 9A.114).

Michigan:

Michigan does not have statutes or administrative rules specific to the regulation of athlete agents.

Minnesota:

Minnesota does not have administrative rules for the regulation of athlete agents but does adopt the RUAAA as Wisconsin does (MN Stats. § 81A).

| 19. Contact Name | 20. Contact Phone Number |
|---|--------------------------|
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ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

- 3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?
- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements

Other, describe:

4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

5. Describe the Rule's Enforcement Provisions

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

🗌 Yes 🗌 No