



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
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Date: 03/28/2019
Time: 09:45 AM
Location: 016
Committee: Senate Judiciary

Department: Education

Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education

Title of Bill: HB 0066, HD1, SD1 RELATING TO ATHLETE AGENTS.

Purpose of Bill: Repeals the existing Uniform Athlete Agents Act and replaces it with the Revised Uniform Athlete Agents Act, which applies to certain financial advisers and makes other changes to the Uniform Act to increase effectiveness and enforceability. Effective 7/1/3000. (SD1)

Department's Position:

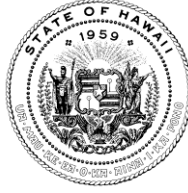
The Department of Education (Department) supports the intent of HB 66 HD1 SD 1. This measure recognizes the importance of protecting young student athletes by repealing chapter 481E, Hawaii Revised Statutes, and replacing it with a new revised Uniform Athlete Agents Act. HB 66 HD1 SD 1 increases the effectiveness and scope of the Act's provisions and the ability to impose sanctions for violations in the best interest of student-athletes.

Hawaii public school athletes retain amateur status when participating and competing in high school athletics. If high school student-athletes enter into a professional contract, the student-athlete will be ineligible to compete in high school athletics in that sport.

Although professional student-athletes in Hawaii's elementary, middle and high schools are uncommon, this measure will ensure protections for all student-athletes statewide from illegitimate and unethical business practices from athlete agents.

Thank you for this opportunity to provide testimony on HB 66 HD1 SD 1.

The Hawaii State Department of Education seeks to advance the goals of the Strategic Plan which is focused on student success, staff success, and successful systems of support. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at www.hawaiipublicschools.org.



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Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Judiciary
Thursday, March 28, 2019
9:45 a.m.
State Capitol, Conference Room 016**

**On the following measure:
H.B. 66, H.D. 1, S.D. 1, RELATING TO ATHLETE AGENTS**

WRITTEN TESTIMONY ONLY

Chair Rhoads and Members of the Committee:

My name is Kedin Kleinhans, and I am the Executive Officer of the Department of Commerce and Consumer Affairs' (Department) Uniform Athlete Agents Program. The Department supports this bill.

The purpose of this bill are to: (1) repeal Hawaii Revised Statutes chapter 481E and replace it with the new revised "Revised Uniform Athlete Agents Act"; (2) expand the definition of "athlete agent" to include individuals who, for compensation or the anticipation of compensation, serve as financial advisors or business managers to student athletes; (3) require reciprocity for athlete agents who are registered in more than one state; (4) strengthen requirements for athlete agent contracts; (5) strengthen notification requirements; (6) add criminal penalties for athlete agents who encourage another individual to take actions on behalf of the agent, which the agent is prohibited from taking; and (7) give student athletes a right of action against an athlete agent who

violates the provisions of the bill. S.D. 1 further clarifies on page 8, lines 13-18 that a “certified athlete agent” must be certified by a *bona fide* national association.

This measure was previously heard during the Regular Session of 2017 (H.B. 507). At that time, the Department supported H.B. 507 with suggested amendments from the Professional and Vocational Licensing Division and the Regulated Industries Complaints Office. The Department appreciates that its suggested amendments have been incorporated into this measure. Further, this bill expands protections for athletes against illegal and unscrupulous acts by athlete agents and financial advisors. To help facilitate the transition, the Department respectfully suggests an effective date of July 1, 2020.

Thank you for the opportunity to testify on this bill.



NCAA Support of the Revised Uniform Athlete Agents Act

The NCAA supports the Revised Uniform Athlete Agents Act (RUAAA) and its adoption in every state. Since 2000, the NCAA has supported passage of the original version of the Act because of the important protections provided to student-athletes and educational institutions through the regulation of athlete agent activities. The RUAAA updates and improves the 2000 version of the Act through enhanced protections and a revised registration process. Specifically the RUAAA:

- Expands the definition of “athlete agent”
- Establishes a reciprocal and interstate compact process to allow for more efficient registration
- Enhances agency contract requirements
- Establishes athlete agent notification requirements
- Creates a cause of action for student-athletes

The improper conduct of an athlete agent can have a detrimental impact on student-athletes, educational institutions and the athlete agent community. The RUAAA is an important tool in addressing these concerns.