

under the Uniformed Service Employment and Reemployment Rights Act, they have many responsibilities. Again, these responsibilities are mandated by Congress, but in many ways most of these businesses, almost all of them, are obligated through patriotism and a sense of resolve to the war in Iraq to take these people back, to care for them and, in many cases, give them their back pay. So I think it is altogether fitting that we this afternoon honor the businesses.

Mr. Speaker, I urge my colleagues to support this resolution.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BASS). The question is on the motion offered by the gentleman from Florida (Mr. STEARNS) that the House suspend the rules and agree to the resolution, H. Res. 201.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. STEARNS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SPORTS AGENT RESPONSIBILITY AND TRUST ACT

Mr. STEARNS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 361) to designate certain conduct by sports agents relating to the signing of contracts with student athletes as unfair and deceptive acts or practices to be regulated by the Federal Trade Commission, as amended.

The Clerk read as follows:

H.R. 361

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sports Agent Responsibility and Trust Act".

SEC. 2. DEFINITIONS.

As used in this Act, the following definitions apply:

(1) **AGENCY CONTRACT.**—The term "agency contract" means an oral or written agreement in which a student athlete authorizes a person to negotiate or solicit on behalf of the student athlete a professional sports contract or an endorsement contract.

(2) **ATHLETE AGENT.**—The term "athlete agent" means an individual who enters into an agency contract with a student athlete, or directly or indirectly recruits or solicits a student athlete to enter into an agency contract, and does not include a spouse, parent, sibling, grandparent, or guardian of such student athlete, any legal counsel for purposes other than that of representative agency, or an individual acting solely on behalf of a professional sports team or professional sports organization.

(3) **ATHLETIC DIRECTOR.**—The term "athletic director" means an individual responsible for administering the athletic program of an educational institution or, in the case that such

program is administered separately, the athletic program for male students or the athletic program for female students, as appropriate.

(4) **COMMISSION.**—The term "Commission" means the Federal Trade Commission.

(5) **ENDORSEMENT CONTRACT.**—The term "endorsement contract" means an agreement under which a student athlete is employed or receives consideration for the use by the other party of that individual's person, name, image, or likeness in the promotion of any product, service, or event.

(6) **INTERCOLLEGIATE SPORT.**—The term "intercollegiate sport" means a sport played at the collegiate level for which eligibility requirements for participation by a student athlete are established by a national association for the promotion or regulation of college athletics.

(7) **PROFESSIONAL SPORTS CONTRACT.**—The term "professional sports contract" means an agreement under which an individual is employed, or agrees to render services, as a player on a professional sports team, with a professional sports organization, or as a professional athlete.

(8) **STATE.**—The term "State" includes a State of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(9) **STUDENT ATHLETE.**—The term "student athlete" means an individual who engages in, is eligible to engage in, or may be eligible in the future to engage in, any intercollegiate sport. An individual who is permanently ineligible to participate in a particular intercollegiate sport is not a student athlete for purposes of that sport.

SEC. 3. REGULATION OF UNFAIR AND DECEPTIVE ACTS AND PRACTICES IN CONNECTION WITH THE CONTACT BETWEEN AN ATHLETE AGENT AND A STUDENT ATHLETE.

(a) **CONDUCT PROHIBITED.**—It is unlawful for an athlete agent to—

(1) directly or indirectly recruit or solicit a student athlete to enter into an agency contract, by—

(A) giving any false or misleading information or making a false promise or representation; or

(B) providing anything of value to a student athlete or anyone associated with the student athlete before the student athlete enters into an agency contract, including any consideration in the form of a loan, or acting in the capacity of a guarantor or co-guarantor for any debt;

(2) enter into an agency contract with a student athlete without providing the student athlete with the disclosure document described in subsection (b); or

(3) predate or postdate an agency contract.

(b) **REQUIRED DISCLOSURE BY ATHLETE AGENTS TO STUDENT ATHLETES.**—

(1) **IN GENERAL.**—In conjunction with the entering into of an agency contract, an athlete agent shall provide to the student athlete, or, if the student athlete is under the age of 18, to such student athlete's parent or legal guardian, a disclosure document that meets the requirements of this subsection. Such disclosure document is separate from and in addition to any disclosure which may be required under State law.

(2) **SIGNATURE OF STUDENT ATHLETE.**—The disclosure document must be signed by the student athlete, or, if the student athlete is under the age of 18, by such student athlete's parent or legal guardian, prior to entering into the agency contract.

(3) **REQUIRED LANGUAGE.**—The disclosure document must contain, in close proximity to the signature of the student athlete, or, if the student athlete is under the age of 18, the signature of such student athlete's parent or legal guardian, a conspicuous notice in boldface type stating: "Warning to Student Athlete: If you agree orally or in writing to be represented by an agent now or in the future you may lose your

eligibility to compete as a student athlete in your sport. Within 72 hours after entering into this contract or before the next athletic event in which you are eligible to participate, whichever occurs first, both you and the agent by whom you are agreeing to be represented must notify the athletic director of the educational institution at which you are enrolled, or other individual responsible for athletic programs at such educational institution, that you have entered into an agency contract."

SEC. 4. ENFORCEMENT.

(a) **UNFAIR OR DECEPTIVE ACT OR PRACTICE.**—A violation of this Act shall be treated as a violation of a rule defining an unfair or deceptive act or practice prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(b) **ACTIONS BY THE COMMISSION.**—The Commission shall enforce this Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this Act.

SEC. 5. ACTIONS BY STATES.

(a) **IN GENERAL.**—

(1) **CIVIL ACTIONS.**—In any case in which the attorney general of a State has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by the engagement of any athlete agent in a practice that violates section 3 of this Act, the State may bring a civil action on behalf of the residents of the State in a district court of the United States of appropriate jurisdiction to—

(A) enjoin that practice;

(B) enforce compliance with this Act; or

(C) obtain damage, restitution, or other compensation on behalf of residents of the State.

(2) **NOTICE.**—

(A) **IN GENERAL.**—Before filing an action under paragraph (1), the attorney general of the State involved shall provide to the Commission—

(i) written notice of that action; and

(ii) a copy of the complaint for that action.

(B) **EXEMPTION.**—Subparagraph (A) shall not apply with respect to the filing of an action by an attorney general of a State under this subsection, if the attorney general determines that it is not feasible to provide the notice described in that subparagraph before filing of the action. In such case, the attorney general of a State shall provide notice and a copy of the complaint to the Commission at the same time as the attorney general files the action.

(b) **INTERVENTION.**—

(1) **IN GENERAL.**—On receiving notice under subsection (a)(2), the Commission shall have the right to intervene in the action that is the subject of the notice.

(2) **EFFECT OF INTERVENTION.**—If the Commission intervenes in an action under subsection (a), it shall have the right—

(A) to be heard with respect to any matter that arises in that action; and

(B) to file a petition for appeal.

(c) **CONSTRUCTION.**—For purposes of bringing any civil action under subsection (a), nothing in this title shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

(1) conduct investigations;

(2) administer oaths or affirmations; or

(3) compel the attendance of witnesses or the production of documentary and other evidence.

(d) **ACTIONS BY THE COMMISSION.**—In any case in which an action is instituted by or on behalf of the Commission for a violation of section 3, no State may, during the pendency of that action, institute an action under subsection (a) against any defendant named in the complaint in that action.

(e) **VENUE.**—Any action brought under subsection (a) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

(f) *SERVICE OF PROCESS.*—In an action brought under subsection (a), process may be served in any district in which the defendant—

- (1) is an inhabitant; or
- (2) may be found.

SEC. 6. PROTECTION OF EDUCATIONAL INSTITUTION.

(a) *NOTICE REQUIRED.*—Within 72 hours after entering into an agency contract or before the next athletic event in which the student athlete may participate, whichever occurs first, the athlete agent and the student athlete shall each inform the athletic director of the educational institution at which the student athlete is enrolled, or other individual responsible for athletic programs at such educational institution, that the student athlete has entered into an agency contract, and the athlete agent shall provide the athletic director with notice in writing of such a contract.

(b) *CIVIL REMEDY.*—

(1) *IN GENERAL.*—An educational institution has a right of action against an athlete agent for damages caused by a violation of this Act.

(2) *DAMAGES.*—Damages of an educational institution may include and are limited to actual losses and expenses incurred because, as a result of the conduct of the athlete agent, the educational institution was injured by a violation of this Act or was penalized, disqualified, or suspended from participation in athletics by a national association for the promotion and regulation of athletics, by an athletic conference, or by reasonable self-imposed disciplinary action taken to mitigate actions likely to be imposed by such an association or conference.

(3) *COSTS AND ATTORNEYS FEES.*—In an action taken under this section, the court may award to the prevailing party costs and reasonable attorneys fees.

(4) *EFFECT ON OTHER RIGHTS, REMEDIES AND DEFENSES.*—This section does not restrict the rights, remedies, or defenses of any person under law or equity.

SEC. 7. LIMITATION.

Nothing in this Act shall be construed to prohibit an individual from seeking any remedies available under existing Federal or State law or equity.

SEC. 8. SENSE OF CONGRESS.

It is the sense of Congress that States should enact the Uniform Athlete Agents Act of 2000 drafted by the National Conference of Commissioners on Uniform State Laws, to protect student athletes and the integrity of amateur sports from unscrupulous sports agents. In particular, it is the sense of Congress that States should enact the provisions relating to the registration of sports agents, the required form of contract, the right of the student athlete to cancel an agency contract, the disclosure requirements relating to record maintenance, reporting, renewal, notice, warning, and security, and the provisions for reciprocity among the States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. STEARNS) and the gentleman from Tennessee (Mr. GORDON) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. STEARNS).

GENERAL LEAVE

Mr. STEARNS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 361, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. STEARNS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 361, the Sports Agent Trust and Responsibility Act.

Mr. Speaker, this legislation is sponsored by my friend and colleague on the Committee on Energy and Commerce, the gentleman from Tennessee (Mr. GORDON), for whom this has been a long-standing concern. Additionally, our colleague, the gentleman from Nebraska (Mr. OSBORNE), also has first-hand experience in dealing with the problem in this bill in his prior career and is a major cosponsor.

The Subcommittee on Commerce, Trade and Consumer Protection held hearings on this legislation last year and heard from many experts regarding the problems facing promising student athletes in this country. My colleagues and I on the Committee on Energy and Commerce agree there is a problem and that this bill, H.R. 361, is a responsible and necessary legislative solution. We passed the legislation out of our committee unanimously in the 107th Congress.

For my colleagues who may be unaware of the nature of the problem, let me briefly explain this afternoon. I am sure the gentleman from Tennessee (Mr. GORDON) and the gentleman from Nebraska (Mr. OSBORNE) will also amplify my comments on how destructive this behavior can be to the student athletes, their families, and to the schools.

I share their concern that student athletes are often targeted by unscrupulous agents who suffer little or no consequence for their continued deception. In today's multibillion dollar professional sports industry, collegiate athletes with even the slightest potential of becoming a highly paid professional athlete often find themselves in the cross hairs of sports agents. Because the odds of an athlete making it to the professional ranks is very, very low, the financial reward for those who do make it can be extraordinary, and the financial windfall to an agent representing the athlete is highly significant.

For an agent who may not be an established name in the business, success for this agent may be dependent upon either signing a superstar or playing the simple percentages and representing multiple promising athletes in hopes of at least one making it to the professional leagues.

Unfortunately, Mr. Speaker, the agents looking to make a quick buck are often the same ones who do not have the athlete's best interest in mind. While the reputable agents respect the athletes, and, of course, they follow the rules, the unscrupulous agents have been reported to take extreme measures to sign the athlete with little regard for the consequences to the athlete. Why do they do this? For those agents lacking any integrity, the financial payout can be very, very large; and there are few, if any, consequences to dissuade them.

While we do not currently have a Federal remedy to address these prob-

lems, many of our States do. They have recognized the problem and have varying State laws to address the behavior of these sports agents. Because the inconsistency of the State laws has prevented meaningful enforcement, the States recently approved a uniform State athlete agent act in the Year 2000. More than a dozen States have since enacted the law, and it is working its way through many other State legislatures.

As promising as this sounds, it is a long process that does not guarantee that all of the States will adopt it. While this may not sound significant to my colleagues, the law can only be completely effective if it is enforced uniformly in every State in this Nation.

The States deserve credit for addressing this problem. Yet, Mr. Speaker, the reality is that there is still a gaping hole that this legislation will finally fill. Not only does this legislation provide the Federal Trade Commission with the authority to enforce the act, but it also provides the States with the authority to bring civil action against violators in the Federal courts. Additionally, the legislation requires a new disclosure to the student athlete, and, finally, places a measure of responsibility on the agent himself so that there should be no misunderstanding regarding the signing of a contract.

Mr. Speaker, this legislation provides a Federal remedy to a problem that many of us did not know about, but it is no less deserving of a cure this afternoon. H.R. 361 provides a measured response. I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. GORDON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I intend to make a few brief remarks in support of H.R. 361, the Sports Agent Responsibility and Trust Act, or SPARTA. The combination of a patchwork of weak State laws and the lure of big money has made student athletes an irresistible target for certain unscrupulous sports agents willing to break the rules concerning amateur athletics. Such agents use any means necessary to convince a student athlete who has even a remote chance of playing professional sports to drop out of school and go pro early, including deceptive information about their chances in the draft, secret payments to their friends and families, lavish gifts, and sometimes even blackmail.

This kind of elicited behavior can quickly cost student athletes their scholarships and eligibility to play college sports. The school may face substantial fines and other economic losses.

The only person not held accountable is the sports agent. Unfortunately, under the current patchwork of State sports agent laws, the agents face little or no consequences for damages they have caused.

H.R. 361 addresses this problem head on by providing baseline Federal remedies to protect student athletes and educational institutions, particularly in those States with no existing law regulating sports agent conduct.

Specifically, the bill would make a number of unethical recruiting tactics unfair and deceptive trade practices under the Federal Trade Act. This includes making false or misleading promises or representations, providing anything of value to the student athletes or anyone associated with the athlete in order to entice them into an agency contract, failing to tell the student signing the contract that it will end their college eligibility, and pre-dating or post-dating contracts.

The pressures on student athletes and colleges are tremendous. We have a responsibility to educate our student athletes and protect them from unscrupulous sports agents who try to trick or trap them into dropping out of school. This legislation will send a strong signal to the rotten apple agents that they will be held accountable for unethical recruiting practices. I urge all Members to support this bill.

Finally, Mr. Speaker, let me give my sincere thanks to the gentleman from the State and University of Nebraska (Mr. OSBORNE). The gentleman has brought a unique perspective to this bill and persuasiveness that has helped us get this passed.

Also I want to thank the subcommittee chairman from the Committee on Energy and Commerce, the gentleman from Florida (Mr. STEARNS), for expediting this procedure and helping us move through his committee, as well as the ranking member, the gentleman from New York (Mr. TOWNS).

I also want to thank the gentleman from Louisiana (Chairman TAUZIN) and the ranking member, the gentleman from Michigan (Mr. DINGELL), for their help. Certainly with joint jurisdiction with the Committee on the Judiciary, the gentleman from Wisconsin (Chairman SENSENBRENNER) should be thanked for his help; as well as the subcommittee chairman, the gentleman from Utah (Mr. CANNON); the ranking member, the gentleman from North Carolina (Mr. WATT); and the ranking member, the gentleman from Michigan (Mr. CONYERS).

Finally, let me thank a diligent member of my staff, Dana Lichtenberg, who has done an outstanding job with her tenaciousness in moving this bill forward, and also a friend of mine from home, Ken Shipp. Coach Shipp came by my office a few years ago on the Square in Murfreesboro and told me about this problem; and, like so many things, I get my best advice from home, and so I thank Coach Shipp for his advice.

Mr. Speaker, I reserve the balance of my time.

Mr. STEARNS. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin (Mr. SENSENBRENNER), the distinguished chairman of the Committee on the Judiciary.

Mr. SENSENBRENNER. Mr. Speaker, I rise in support of H.R. 361. This legislation, which is known as the SPARTA Act, is important for the sports industry, which in recent years has become ever more just so that, an industry. The thrill of pure athletic accomplishment has been overwhelmed as a motivating incentive by the desire for economic gain. While understandable, we cannot allow this desire to lead to the abuse of individuals, the public and private universities and colleges, and the system itself.

We as Americans love sports. Who does not enjoy sitting back on a relaxing weekend watching their favorite college and professional sports teams performing? In Wisconsin, every Sunday during the fall we watch the Green Bay Packers with the intensity and caring of a mother bear watching her cubs. We have dedicated a month to an American tradition called March Madness and watch some of the most athletically gifted students in the Nation compete in the drama which can have only one victor at the day's end.

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However, even with all this talent, only 1 percent of the NCAA athletes make it to the professional level, and then often only in a back-up role. For those who do make it to the big leagues, the rewards are great.

Athlete agents want to reap this reward, as well. As a result, some agents deploy questionable tactics in a generally unregulated field. They send runners to befriend these athletes and give them money and other enticements, and support the friends and family of the athlete with money and gifts.

This is done in consideration of an agreement for future representation, which is illegal by NCAA standards and causes the athlete to lose their collegiate eligibility. In many States, the penalty to the agent is nothing.

Mr. Speaker, the Uniform Athlete Agents Act, which addresses this situation, has been adopted by over 20 States. However, given the nature of intercollegiate sports, State boundaries are crossed constantly. Agents can forum-shop by waiting in a State that has not adopted the UAAA and wait for the visiting team to arrive before approaching college stars.

Because of this unique situation, this Federal solution is necessary. Geographic loopholes must be closed so that agents will comply with the modest guidelines set forth for recruitment by the NCAA.

Mr. Speaker, this bill deserves the full support of the House, and I urge its adoption.

Mr. GORDON. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, let me first of all give much

applause to the gentleman from Tennessee (Mr. GORDON) for a very thoughtful, but very important legislative initiative. I am very proud as a member of the Committee on the Judiciary to have had an opportunity to have had oversight and jurisdiction over this legislation. I am also grateful for the response of the gentleman from Florida (Chairman STEARNS) in bringing this legislation to the floor.

Let me speak from a personal perspective, I guess, because I have an 11th grader whose almost every waking moment deals with what is happening on the basketball court. I work very hard as a parent to ensure that his academics are safe and secure.

We realize that America loves sports, young people love sports, but particularly in rural and inner-city communities many of our young people find their way out of poverty by seeking opportunities in a sports arena. I remember being with a family just a few weeks ago who was praying that their young man would be able to get into a certain college, and they were prayerful that his future would be great in some sports arena.

So this bill, I say to the gentleman from Tennessee (Mr. GORDON), is extremely important because what it does is it provides an even playing field for the innocent youngster, the young person whose parents are hopeful that their lives will be different than the lives of their parents, struggling every day to work and provide resources for the family.

The unscrupulous will be charged and the Federal Government, which I believe should be the major problem-solver of this Nation, will be right in the midst. We will not blame and see the headlines of the young people who may have gotten a car or may have been somewhere where they should not have been, while the other guy, who continues to have his fabulous rings and fancy cars, the sports agent, of which I do not label all of them, goes without penalty.

Let me give a compliment to many sports agents that I know who work very hard to speak accurately to the families, and work with the young people. But I believe this legislation will set a litmus test to ensure that we balance these hopes and dreams and aspirations, these goals for these young people, and the right thing to do.

So I applaud this legislation and I rise enthusiastically to support it. I know it will make life better for those who are trying to make life better for themselves.

Mr. STEARNS. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska (Mr. OSBORNE), who has actually run premier athletic programs and has run multiple national college football championships at the University of Nebraska. If anyone knows about this problem of unscrupulous sports agents, the gentleman from Nebraska would know that.

Mr. OSBORNE. Mr. Speaker, I thank the chairman for yielding time to me, and I appreciate his help very much.

I would also like to thank the gentleman from Tennessee (Mr. GORDON) and his staff for all the work they have put in; the gentleman from Louisiana (Chairman TAUZIN) and the gentleman from Wisconsin (Chairman SENSENBRENNER) and their staffs; and also Lisa Knott from my staff. Many people have cooperated.

As has been mentioned, currently only 20 States have comprehensive laws regulating sports agents; 17 States have no laws at all. My State, Nebraska, is one of those. Thirteen States have a patchwork of laws governing sports agents.

Here is the problem. I will use primarily a football illustration, because that is what I understand the best. As of April, 2002, the National Football League Players Association reported 1,200 certified agents to represent NFL players. The problem is that of those 1,200, only 400 had clients, so we have 800 people who say they are agents and they have nobody to represent.

There are also several hundred other agents who are not even certified by the National Football League who also call themselves agents. So if they call themselves agents and do not have a client, they are pretty desperate. What these guys do is, they will go after undergraduates, and they will sometimes be very unscrupulous in doing so. There are some good agents, but many are not. So here are some of the things that happen.

They will offer an undergraduate athlete cars, clothes, cash, sometimes even drugs, to sign an agency contract. Of course, immediately this renders the student athlete ineligible.

They promise an athlete that he will be drafted higher. The National Football League tells them they will be drafted in the fourth round, and the agent says, that is a lot of baloney. I will get you a personal trainer, I will get you a nutritionist, we will go to California, we will work hard, you are going to get bigger, faster, stronger, you are going to be a first-round pick, and you are going to make \$6 million just to sign your name.

Of course, that is totally untrue. They cannot get a player drafted higher because of the agent's activities. So the player drops out of school at that point, and he gets a nutritionist, and nothing happens.

They use runners, as has been mentioned. These are usually former players. These are student athletes in the school. Sometimes they are simply students in the school. The player has no idea that he is dealing with somebody who represents an agent. So the runner takes him out to dinner and gets him obligated.

They sometimes threaten athletes with physical harm.

Lastly, they often tell a student athlete they will predate or postdate a contract so they will not jeopardize

their eligibility, which is absolutely untrue. The minute they verbally agree to a contract or sign it, no matter whether it is predated or postdated, they are ineligible. These are some of the problems.

With these problems in mind, the gentleman from Tennessee (Mr. GORDON) and I have introduced H.R. 361, which has been referred to previously as SPARTA. It makes it illegal for sports agents to entice student athletes with false or misleading information, promises, or representations.

SPARTA requires the agent to inform the undergraduate athlete and his school in writing that the player has signed an agency contract and is ineligible. What often happens is a school does not know that they have got a guy out there playing who is ineligible, that he has already signed a contract, so this forces the agent to let the school know in writing that he has a player under contract and that player is ineligible.

Under SPARTA, sports agents who engage in illegal recruiting will be fined up to \$11,000 per incident per day. The Committee on Energy and Commerce passed this legislation by voice vote. The Committee on the Judiciary passed SPARTA by voice vote. So this legislation is bipartisan and it is non-controversial.

I urge my colleagues to support this legislation. I do not know any college athletic director, coach, reputable athlete, or most reputable agents themselves who would oppose this legislation.

Again, I want to thank my colleague, the gentleman from Tennessee (Mr. GORDON), all those involved, and urge passage of this, what I think is a very important Federal backstop, very important legislation.

Mr. GORDON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me once again thank the gentleman from Nebraska (Mr. OSBORNE) for his efforts. To just elaborate a little on his comments, this legislation has been endorsed by virtually every organization that is affected in the country, by the American Football Coaching Association, the Black Coaches Association, the Knight Foundation Commission on Intercollegiate Athletics, the National Association of Basketball Coaches, the National Association of College Directors of Athletics, the NCAA, the Junior College Athletic Association, the Big 12, the Big East, the Pac-10, the Sunbelt Conference, and coaches and athletic departments all across the country.

Mr. Speaker, I reserve the balance of my time.

Mr. STEARNS. Mr. Speaker, I yield 4 minutes to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Speaker, I rise in support of H.R. 361.

This bill is important for all of the reasons that have already been discussed. An athletic agent is in a unique position in that while he stands to gain

from his relationship with the student athlete, that student athlete client shoulders much of the risk when rules are not followed.

H.R. 361 evens the responsibilities and will help to act as a deterrent for agents who would otherwise not play by the rules of the game.

H.R. 361 will prohibit an athlete agent from recruiting or soliciting a student athlete to enter into an agency contract through the use of false or misleading information, or by the provision of anything of value to the athlete or those associated with him.

In addition, the bill would require the contract between the agent and the student athlete to have a conspicuous notice in bold typeface stating that the agreement for agent representation may result in the termination of the student athlete's eligibility to compete in collegiate sports.

Violations of this act may be addressed by the Federal Trade Commission or the attorney general of the State of occurrence. The FTC may pursue an action as an unfair or deceptive act or practice. States are authorized to commence civil actions against the agent who is in violation of this act and seek remedies, including enjoining the practice, enforcing compliance, obtaining damages, restitution, or other compensation on behalf of the State's residents.

In addition, this bill allows for educational institutions to seek damages in the event that a university athletic director is not informed of a new contractual relationship within 72 hours, either of the signing or the first event that the athlete is eligible to participate in.

Failure to so instruct may allow the ineligible athlete to compete, thus causing exposure for the institution to be liable or penalized under sanctions, fines, forfeitures, or disqualifications. The bill allows the institution to file suit against the agent for his failure to disclose, and to seek compensation for those damages which the educational institution suffered.

At the subcommittee, with the support of the gentleman from Tennessee (Mr. GORDON) and the gentleman from Nebraska (Mr. OSBORNE), working with the minority and with the distinguished ranking subcommittee member, the gentleman from North Carolina (Mr. WATT), I offered an amendment in the nature of a substitute which made this bill better.

The amendment clarified several portions of the bill to make it clear what behavior will and will not be tolerated. The amendment clarified that the only representation to be prohibited is that of an agent, and should not otherwise prohibit or discourage an athlete from seeking legal representation.

Further, the amendment included a specific ban on the giving of loans or acting as guarantor or co-guarantor for anything of value to the athlete or those associated with those athletes. This subterfuge is currently a common way of skirting NCAA rules.

Finally, the amendment clarified that nothing in this bill was meant to prohibit an individual from seeking Federal, State, or equity remedies under existing law, thus strengthening the student athlete's right to pursue a claim under existing contractual law.

Mr. Speaker, I join with my colleagues in urging the House to give its full support to the adoption of H.R. 361.

Mr. GORDON. Mr. Speaker, I yield myself the balance of my time.

Finally, Mr. Speaker, let me just say that this bill does not penalize the many legitimate sports agents. This bill does not stop any athlete from, with full information, going pro. Also, this bill does not set up a national sports police.

What it does is it deputizes the various States' attorneys general to follow up on the deceptive acts, and deal with these incidents or these problems on a local basis.

Once again, my thanks to all the Members that have made this bill possible to come to the floor and possibly pass today.

Mr. Speaker, I yield back the balance of my time.

Mr. STEARNS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just in conclusion, maybe just a quick history on this bill.

The gentleman from Tennessee (Mr. GORDON) dropped the bill in the 107th Congress. We had a hearing out of the subcommittee that I chair, the Subcommittee on Commerce, Trade, and Consumer Protection. We had the NCAA and we had lots of witnesses. Everybody endorsed this bill.

I think for those who are worried that this is a Federal mandate, it is basically a bill to give a little bit more support to the States, particularly those States, perhaps in Nebraska, where they do not have any law, and give those State attorneys general the opportunity to prosecute those unscrupulous sports agents.

I think the gentleman from Tennessee (Mr. GORDON) is to be commended for his hard work on this over a long period of time, and for pushing it forward.

Also, I want to thank the gentleman from Louisiana (Mr. TAUZIN) for allowing a hearing on this. Eventually we are here this afternoon. I wish we could have passed this in the 107th Congress, but we are here in the 108th Congress, and hopefully we will get this bill passed.

Again, I commend all those who have been involved.

Mr. DINGELL. Mr. Speaker, I am a proud cosponsor of H.R. 361, the "Sports Agent Responsibility and Trust Act" (SPARTA). This legislation will hold unscrupulous sports agents responsible for their actions by authorizing the Federal Trade Commission and State attorneys general to enforce common sense protections for amateur athletes. I commend the chief sponsor of this bill, the gentleman from Tennessee, for his hard work on this bill.

This legislation empowers students with the ability to decide when and where they become

professionals and protects them from the underhanded tactics that have become all too common in this field. Under this legislation, student athletes can no longer be tricked into signaling contracts through the deception or bribery of a sports agent. And agents must clearly disclose to students that they will no longer be amateurs if they sign an agency contract, before they sign the contract.

SPARTA enjoys wide support in the academic community and has been endorsed by the NCAA and over 30 colleges and universities, including the University of Michigan. I urge my colleagues to support this legislation and send a strong message to the unprincipled sports agents who prey on our youth.

Mr. STEARNS. Mr. Speaker, I yield back the balance of my time.

□ 1445

The SPEAKER pro tempore (Mr. BASS). The question is on the motion offered by the gentleman from Florida (Mr. STEARNS) that the House suspend the rules and pass the bill, H.R. 361, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ARMED FORCES NATURALIZATION ACT OF 2003

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1954) to revise the provisions of the Immigration and Nationality Act relating to naturalization through service in the Armed Forces, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Armed Forces Naturalization Act of 2003".

SEC. 2. NATURALIZATION THROUGH SERVICE IN ARMED FORCES.

(a) REDUCTION OF PERIOD FOR REQUIRED SERVICE.—

(1) IN GENERAL.—Section 328(a) of the Immigration and Nationality Act (8 U.S.C. 1439(a)) is amended by striking "three years," and inserting "one year,".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to applications for naturalization filed or pending on or after the date of the enactment of this Act.

(b) PROHIBITION ON IMPOSITION OF FEES RELATING TO NATURALIZATION.—

(1) IN GENERAL.—Title III of the Immigration and Nationality Act (8 U.S.C. 1401 et seq.) is amended—

(A) in section 328(b)—

(i) in paragraph (3)—

(I) by striking "honorable. The" and inserting "honorable (the)"; and

(II) by striking "discharge." and inserting "discharge); and"; and

(ii) by adding at the end the following:

"(4) notwithstanding any other provision of law, no fee shall be charged or collected from the person for filing the application, or for the issuance of a certificate of naturalization upon being granted citizenship,

and no clerk of any State court shall charge or collect any fee for such services unless the laws of the State require such charge to be made, in which case nothing more than the portion of the fee required to be paid to the State shall be charged or collected."; and

(B) in section 329(b)—

(i) in paragraph (2), by striking "and" at the end;

(ii) in paragraph (3), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following:

"(4) notwithstanding any other provision of law, no fee shall be charged or collected from the person for filing the application, or for the issuance of a certificate of naturalization upon being granted citizenship, and no clerk of any State court shall charge or collect any fee for such services unless the laws of the State require such charge to be made, in which case nothing more than the portion of the fee required to be paid to the State shall be charged or collected."

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall apply with respect to applications for naturalization filed, and certificates of naturalization issued, on or after the date of the enactment of this Act. Such amendments shall not be construed to require the refund or return of any fee collected before such date.

(c) REVOCATION OF CITIZENSHIP FOR SEPARATION FROM MILITARY SERVICE UNDER OTHER THAN HONORABLE CONDITIONS.—

(1) IN GENERAL.—Title III of the Immigration and Nationality Act (8 U.S.C. 1401 et seq.) is amended—

(A) by adding at the end of section 328 the following:

"(f) Citizenship granted pursuant to this section may be revoked in accordance with section 340 if the person is separated from the Armed Forces under other than honorable conditions before the person has served honorably for a period or periods aggregating five years. Such ground for revocation shall be in addition to any other provided by law, including the grounds described in section 340. The fact that the naturalized person was separated from the service under other than honorable conditions shall be proved by a duly authenticated certification from the executive department under which the person was serving at the time of separation. Any period or periods of service shall be proved by duly authenticated copies of the records of the executive departments having custody of the records of such service."; and

(B) by amending section 329(c) to read as follows:

"(c) Citizenship granted pursuant to this section may be revoked in accordance with section 340 if the person is separated from the Armed Forces under other than honorable conditions before the person has served honorably for a period or periods aggregating five years. Such ground for revocation shall be in addition to any other provided by law, including the grounds described in section 340. The fact that the naturalized person was separated from the service under other than honorable conditions shall be proved by a duly authenticated certification from the executive department under which the person was serving at the time of separation. Any period or periods of service shall be proved by duly authenticated copies of the records of the executive departments having custody of the records of such service."

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall apply to citizenship granted on or after the date of the enactment of this Act.

(d) NATURALIZATION PROCEEDINGS OVERSEAS FOR MEMBERS OF ARMED FORCES.—Notwithstanding any other provision of law, the Secretary of Homeland Security, the Secretary of State, and the Secretary of Defense