

ON COOGAN'S LAW

'Parents have a big duty to keep their children's earnings safe. If they start buying expensive cars with their child's money that child now has a cause of action later.'

— Barbara Greenwald Rice,
L.A. Superior Court



'Who in America can save 30% of what they earn? Anything more than 15% would be too burdensome.'

— former child star Paul Petersen

'The tendency for parents is to do the minimum required. My interest is in the maximum protection of the child and, as such, the set-aside should be much higher.'

— prominent industry attorney



FAWNING FOR FANNING: Dakota Fanning, who is nommed for her role in "I Am Sam," will introduce the segment of the broadcast that features the accomplishments of SAG's child actors.

Protecting children's fiscal future

By CHRISTOPHER GROVE

Fourteen months after California's 63-year-old Coogan's Law was rewritten by the California Legislature and signed into law by Gov. Gray Davis, advocates for children working in the entertainment business say more changes are needed.

Though there is some disagreement on what those changes should be, there is general satisfaction with the ex-

INSIDE LOOK

With the SAG Awards honoring child actors at this year's kudo-fest, *Daily Variety* is revisiting Coogan's Law.

panded scope and power of the new law (also known as SB 1162).

"Parents now have a big duty to keep their children's earnings safe," says Barbara Greenwald Rice, judicial research attorney for the Los Angeles Superior Court division that oversees court-approved contracts for

approved.

■ All earnings by a child thesp are the separate property of the child rather than the community property of the parents according to California community property laws.

■ A minimum of 15% of the gross earnings of the minor must be placed into a trust account that the minor gains control of when he or she turns 18 or is legally emancipated by the courts.

Rice says it's not enough. Under the old law the Superior Court had the discretion to require that up to 30% of a child's gross income be placed into a trust.

"A lot of children are making \$1 million per movie," says Rice. "The mandated set-aside is inadequate."

She's not alone in that view. A top Century City entertainment lawyer, who has represented successful child actors, says, "The tendency for parents is to do the minimum required. My interest is in the maximum protection of the child and, as such, the set-aside should be much higher."

Opposing viewpoint

15% set-aside, the thesp could end up with less than \$400 in their pocket for other expenses.

"You've got to throw out the normal rules when agents and managers are taking 25%," pleads Petersen, who heads A Minor Consideration, a pressure group with many former child thespas as members.

Continued tinkering

In addition to upping the 15% set-aside, Rice maintains the updated Coogan's Law has at least two other flaws that need fixing.

First, the law should specifically state that a child's trust account must be in a California bank. At present, that money can be deposited in financial institutions anywhere in the world. Out-of-state banks are

not covered by California law.

The biggest loophole, according to Rice, allows parents as the trustees of the child's money to move the funds from bank to bank without a requirement that the bank doing the transferring has to inform the receiving bank that the money needs to be in a trust account.

State Sen. Sheila Kuehl (D-Los Angeles), a supporter of the amended Coogan's Law, responds: "If there are any continuing problems with the statute that fails to protect children, I'm sure we would look to correcting them."

Kuehl is also a former child star (ABC's "The Trouble With Father," 1950-55). Her parents saved all her earnings.

The Coogan's Law came into
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HOLLYWOOD'S INNER CHILD

Movies featuring actors under 18 years old proved to be some of the year's biggest box office hits.

Harry Potter and the Sorcerer's Stone (WB)	\$313*
The Mummy Returns (U)	202
Jurassic Park III (U)	181
Dr. Dolittle 2 (Fox)	113
Spy Kids (Dimension)	112



Actors Guild tend not to treat the event as just another excuse to down bubbly and nosh on baby shrimp.

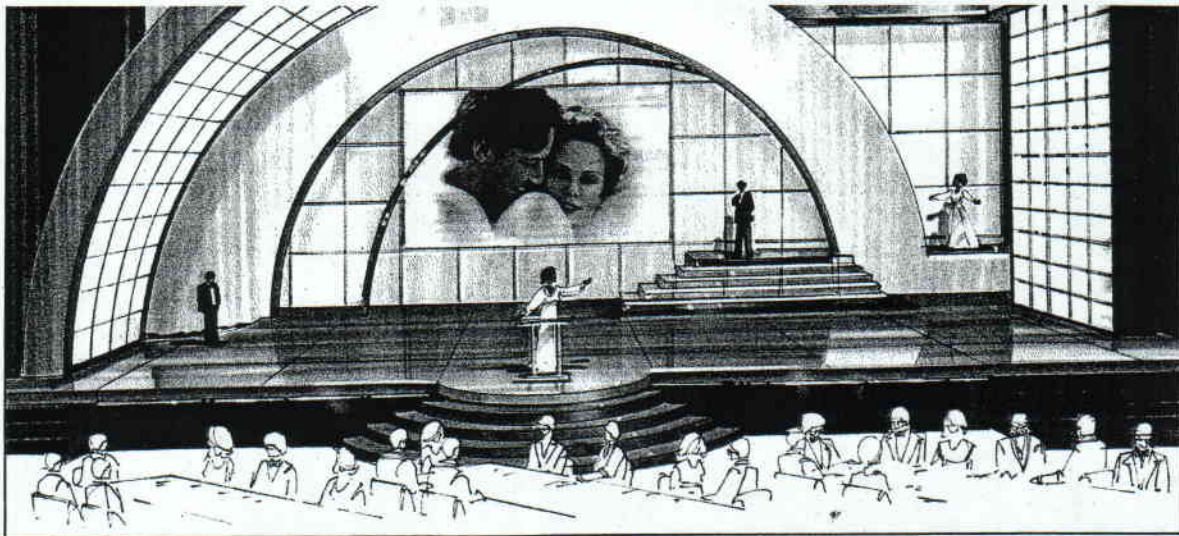
In a three-month period where kudos are distributed faster than Congress handing out subpoenas to Enron execs, the SAG Awards is the only event — besides the Oscars — where actors are voting for one another. That alone raises the credibility bar several notches.

'Different dynamic'

"The Golden Globes has always been a party and the Academy Awards are a bit staid. We're just about the actors," says SAG Awards co-producer Yale Summers. "At our show, the actors truly appreciate the people on the stage. It's a different dynamic."

And one that has proved to be an excellent Oscar prognosticator. This year, 14 of the 20 SAG noms have been nominated by Oscar voters. Last year, it was 18 of 20.

In what is basically a black-tie gathering of the guild's most high-profile paying members, it's the job of exec producer Jeff



REVAMPED LOOK: Production designer Ray Klausen, who worked on two Oscar shows, has designed a new set for the SAG Awards.

food service to the length of the acceptance speeches — runs smoothly.

"Each year I do this I approach it like it's the first time and that I'm doing it with fresh

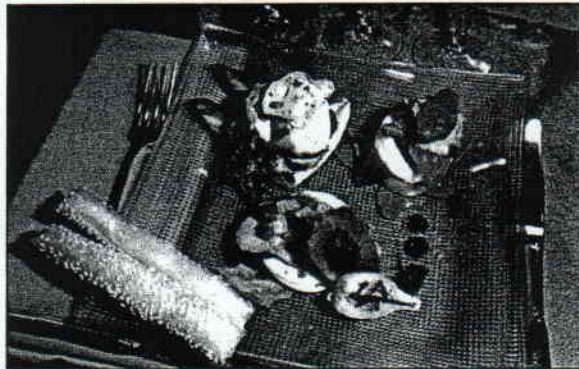
(five for motion picture, eight for TV), a spotlight on child actors and a life achievement award for Ed Asner, who served as SAG's president from 1981-85.

Unlike the Oscars, Golden Globes and the inaugural American Film Institute Awards, all which run three hours, the SAG kudos are kept to a relatively tidy 120 minutes.

Well-paced event

"That amount of time allows us to do what we want to do," says co-producer Kathy Connell. "I don't think there's an actor who won't tell you shorter is better."

There's also been a decree over the past few years that the program flows better minus a host. Margolis believes that in order to give a host a proper working environment, he or she would need more time than the show can afford.



GOOD EATS: While watching the show from their tables, actors will graze on a meal, prepared by Patina, which will include baby sea bass, Belgian endive and a tower of tomato confit and fennel.

'Watching awards shows is my homework. You see what works and what doesn't work.'

— SAG Awards exec producer Jeff Margolis



Margolis to turn this union meeting into an audience-friendly television event.

Margolis has plenty of experience. This will be his fifth go-around making sure everything — from the speed of the

eyes," says Margolis.

For this year's show, which will take place March 10 at the Shrine Exposition Center and will be televised on cable TNT, Margolis must plan out an agenda that includes 13 awards

Coogan's Law puts kids first

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being in 1935 after child thesp Jackie Coogan discovered on his 21st birthday that his mother and stepfather had allegedly squandered his \$4 million fortune. Coogan sued them.

"The law is on our side and Jackie Coogan will not get a cent from his past earnings," his stepfather, Arthur Bernstein, declared at a press conference at the time.

Bernstein was right about the law, but not for long. Within 48 hours, the California Legislature passed the so-called Coogan's Law. It called for at least part of a kid actor's earnings to be de-

posited into court-administered trust funds that the child would receive when he or she reached the age of majority.

For his part, Coogan eventually collected a reported \$126,000, most of which was used to pay legal bills. Still a California law in 2002, even in its amended form, Petersen says it needs to be federalized, and not just for actors.

"All working kids should have this protection," he says.

At present U.S. Sen. Tom Harkin (D-Iowa) and Sen. Sam Brownback (R-Kansas) are co-sponsoring a bill that would do just that.

"We only have two hours and you have to service a host properly," explains Margolis, an Emmy winner for his direction of the 1995 Oscars. "Most shows book comedians so they can have their moments. We don't have the time to be fair to a host."

In charge of what the public will see is director Ron de Moraes, who just returned from Salt Lake City where he directed much of NBC's Olympics coverage.

That he's arriving late to the SAG gala isn't of much concern. Like Margolis, this is de Moraes' fifth year and the two are often of the same mind when determining the best

way to handle both production and direction.

"It's a very smooth operation," says a shivering de Moraes from Utah, where the temperature had dipped to 5 degrees. "A lot of the reasons I'd have to be there beforehand and tell him my needs are unnecessary because we've honed it to a point where it's a machine."

That's not to say there's not some tinkering going on and Margolis believes that the best way to come up with ideas is to sit on his couch with a bowl of chips and check out the way the other kudofests come together.

"Watching awards shows is my homework," says Margolis from his Westwood office. "You see what works and what doesn't. All the guys that produce these shows are friends and we borrow from each other."



CONNELL