

BOXING REGULATORY ACT

House Bill 4335 (Substitute H-1)
House Bill 4336 as introduced
Sponsor: Rep. David Robertson
Committee: Regulatory Reform

Complete to 1-16-04

A SUMMARY OF HOUSE BILL 4335 (SUBSTITUTE H-1) AND HOUSE BILL 4336 AS INTRODUCED 3-12-03

Article 8 of the Occupational Code regulates amateur and professional boxing matches in the state. House Bill 4335 (H-1) would repeal that article and replace it with a new act, the "Michigan Boxing Regulatory Act." The act is divided into six chapters as follows: (1) definitions and applicability; (2) Michigan Boxing Commission; (3) promoters' licensure; (4) complaints and due process; (5) licenses, contest requirements, and applicability to "Toughman" contests; and (6) enacting provisions. The new act would take effect June 1, 2004.

House Bill 4336 would amend Chapter LXVI of the Michigan Penal Code (MCL to specify that the chapter would not apply to contests held under the new act to be created by House Bill 4335. The two bills are tie-barred to one another, meaning that neither can take effect unless both are enacted.

Following is a brief outline of provisions in the new Michigan Boxing Regulatory Act.

Chapter 1: Definitions and Applicability

The bill provides that it would not apply to the following: (1) wrestling; (2) amateur martial arts sports or activities; (3) contests conducted by and participated in exclusively by the agency of the U.S. government or by a school, college, university, or an organization composed exclusively of those entities if each participant is an amateur; (4) amateur boxing regulated under the federal Amateur Sports Act of 1978; and (5) boxing elimination contests regulated by section 50 (including so-called Toughman contests as described later).

Chapter 2: Michigan Boxing Commission

Boxing is currently regulated by the nine-member Athletic Board of Control. The bill, instead, would create a seven-member Michigan Boxing Commission that would, in conjunction with the Department of Labor and Economic Growth, have authority over the management and control of all boxing contests held in the state. Six of the members would be appointed by the governor with the advice and consent of the Senate and would serve four year terms, except initial members would serve terms between one and four years. The seventh member of the commission would be the director of the Department of Labor and Economic Growth. Five members of the commission would constitute a quorum, and the concurrence of at least four members would be necessary to render a decision. The records and the meetings of the

commission would be subject to the Freedom of Information Act and Open Meetings Act, respectively.

Members of the commission would be prohibited from promoting or sponsoring any contest or exhibition or having any financial interest in the promotion or sponsorship of a contest or exhibition and, likewise, a person with a financial interest would not be eligible for appointment to the commission.

The director of the department would be permitted to promulgate rules only after first consulting with the commission. The rules would pertain to ring officials, licensure, license fees, federal mandates, and a list of prohibited substances. In addition, the commission would be permitted to affiliate with another state or a national boxing commission or athletic authority.

The bill would create the Michigan Boxing Fund as a revolving fund in the department. Money in the fund would only be used for administration and enforcement of the act. Money remaining in the fund at the close of the fiscal year would be carried forward to the next fiscal year. The fund would receive all money from license fees, event fees, and administrative fees.

Chapter 3: Promoter's License

A person could not be involved in a boxing contest without a license issued by the department, unless that person is exempt from licensure. A person who violates this would be guilty of a misdemeanor punishable by a fine not exceeding \$500 and/or imprisonment not exceeding 90 days. Subsequent violations would be punishable by a fine not exceeding \$1,000 and/or imprisonment not exceeding one year. A person directly affected by the suspected violation of the act could maintain injunctive action in a court of competent jurisdiction to restrain or prevent another person from violating the act.

The bill provides that an application for licensure would be a request for a determination of the applicant's general suitability, character, integrity, and ability to participate, engage in, or be associated with a boxing contest. The burden of proof in establishing an applicant's qualifications would lie with the applicant, who would have to demonstrate "good moral character". If a license is denied for want of good moral character, the applicant could request an administrative hearing before the commission.

A boxing contest or exhibition could not be held in the state except under a promoter's license. An applicant for a promoter's license would have to file a bond with the department in an amount fixed by the department, but at least \$20,000 and purchased at least five days prior to the contest. (The bond requirement would be adjusted based on the Detroit Consumer Price Index.) In lieu of the bond, an applicant could deposit a like amount of money.

The annual fee for a promoter's license would be \$250. As part of renewing a license, an applicant would have to submit a credit report no more than 60 days old to the department. In addition, the promoter would have to pay an event fee, based on venue seating capacity, for each event held. The fee would be (1) \$125 for a seating capacity of 1,000 or less, (2) \$500 for a

seating capacity between 1,001 and 5,000, and (3) \$2,500 for a seating capacity of more than 5,000.

The director of LEG, in consultation with the new commission, could promulgate rules for the application and approval process for promoters. The rules would have to include, among other things, an application fee of at least \$250; the disclosure of certain background information on the applicant, if an individual, or by the principal officers or members and individuals with at least a 10 percent ownership interest in the case of any other legal entity, including at least two years of federal income tax returns and a credit report not more than 60 days old; and the disclosure of information concerning past and present civil lawsuits, judgments, and filings under the bankruptcy code not more than seven years old.

Chapter 4: Complaints and Due Process

This chapter pertains to complaint procedures and due process for appeals. The provisions are nearly identical to provisions currently contained in Article 5 of the Occupational Code (MCL 339.501 et al.). The chapter includes provisions pertaining to investigations, license suspension, informal conferences, findings of fact, petitions for review, and issuance of a license, among others.

Chapter 5: Applicability to Boxing Elimination Contests; Licenses; Contest Requirements

The provisions of this chapter largely mirror language currently in Article 8 of the Occupational Code. The bill has language that is virtually identical to language in Section 805a regarding the applicability of the act to boxing elimination contests (sometimes referred to as Toughman Contests). The boxing statute would not apply to boxing elimination contests if certain conditions are met, including a requirement that the promoter be insured for all medical and hospital expenses to be paid to the contestants to cover injuries sustain during the contest.

The bill also contains language pertaining to a license to participate in a boxing contest that is virtually identical to language in Sections 806 and 806b of Article 8. The bill would require a physician, referee, judge, matchmaker, timekeeper, professional boxer, contestant, or manager to obtain a participant license from the department prior to participating either directly or indirectly in a boxing contest. [See Section 806]. The bill provides that a person seeking a license to serve as a judge or referee could be required to pass an examination or training program. [See Section 806b.]

The act requires person seeking a license as a professional referee to referee at least 300 rounds of amateur competitive boxing. The bill would extend the same time requirement to for judges and timekeepers. The bill does not, however, retain a requirement that a person seeking a referee licensee officiate a certain number of four-round, six-round, and eight-round contests. [See Section 806c.] The bill retains language from Section 806d regarding requirements for persons seeking a license as a professional judge.

The bill would require a professional participating in a boxing contest to be insured for at least \$50,000 for medical and hospital expenses sustained in the contest and for at least \$50,000 to be paid if the contestant were to die as a result of injuries sustained during the contest.

The bill would decrease the allowable length of a contest involving a national or international championship from a maximum of 20 rounds to a maximum of 12 rounds. All other matches would continue to have a 10-round limit. The bill would increase the minimum weight of a boxing glove from six ounces to eight ounces.

The act requires a promoter or boxing club to file with the department the report of the physical examination of a contest within 24 hours after completion of the contest. The bill would require the report to be filed by the physician and file with the commission.

The act requires a physician appointed by the department to examine a contestant who loses consciousness because of a contest before that contestant can participate in a contest in the state again. The bill would require the commission to appoint the physician.

Chapter 6: Enacting Provisions

The bill would repeal Article 8 of the Occupational Code and Section 49 of the State License Fee Act. Unless rescinded, any rules promulgated under Article 8 would retain authorization under the new act.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.