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BILL ANALYSIS

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House Bill 4295 (Substitute S-1 as reported)
House Bill 4296 (Substitute H-1 as reported without amendment)
Sponsor: Representative Dave Agema
House Committee: Regulatory Reform
Senate Committee: Regulatory Reform

CONTENT

House Bill 4295 (H-2) would enact the "Amateur Mixed Martial Arts Regulatory Act" to:

- Require a person to be licensed as a promoter in order to hold or conduct an amateur mixed martial arts contest or event or engage in other activities regulated by the Act.
- Set a \$100 application fee and a \$300 annual license fee.
- Require promoters to pay a \$200 regulatory and enforcement fee for each amateur mixed martial arts event presented.
- Create the "Amateur Mixed Martial Arts Fund" and require fees and administrative fines to be deposited into the Fund.
- Require promoters to ensure that certain conditions and requirements were met in the conduct of an event.
- Create the Amateur Mixed Martial Arts Commission and require it to establish disciplinary sanctions against licensees and others who violated the Act.
- Provide that the Department of Licensing and Regulatory Affairs (LARA) would be responsible for administering and enforcing the Act, and allow LARA to promulgate rules for this purpose.
- Provide for administrative sanctions and criminal penalties for violations, and a process for investigating and resolving complaints, including formal and informal procedures.
- Authorize LARA to summarily suspend a license, issue cease and desist orders, and seek injunctive relief.

The requirements and conditions that promoters would have to ensure in the conduct of an event pertain to the number and length of rounds; weight classes; the presence of a medical professional (a nurse practitioner, physician's assistant, or physician); the presence of a trained and competent referee; negative HIV and hepatitis B and C testing; contestants' insurance coverage; the age of contestants (who could not be under 18); the exclusion of unfit contestants and professionals; and other matters.

House Bill 4296 (H-1) would amend the sentencing guidelines in the Code of Criminal Procedure to include a felony violation of the proposed Act (allowing a professional to participate in an amateur mixed martial arts contest with an amateur) as a Class E felony against public safety with a statutory maximum term of three years.

House Bill 4295 (S-1) would take effect 90 days after it was enacted. House Bill 4296 (H-1) is tie-barred to House Bill 4295.

FISCAL IMPACT

House Bill 4295 (S-1) would have an indeterminate fiscal impact on the State and little or no fiscal impact on local government (apart from the potential impact of the criminal penalties). The Amateur Mixed Martial Arts Commission would not be compensated, but the Department would likely be responsible for various administrative expenses related to the Commission. In addition, the Department of Licensing and Regulatory Affairs would be responsible for enforcing the proposed Act.

The bill also would establish a fee structure for amateur mixed martial arts promoters. Individuals who applied for a promoter's license would pay a \$100 application fee as well as an annual fee of \$300. It is unknown how many individuals would apply for and receive licenses. In addition to an annual license fee, promoters would have to pay a \$200 regulatory and enforcement fee for each amateur mixed martial arts event they presented. Licensees who violated the Act would be subject to an administrative fine of up to \$10,000. All revenue from these sources would be credited to the Amateur Mixed Martial Arts Fund, which the bill would create. Money in the Fund would be used to pay for the costs of administering the Act, upon appropriation by the Legislature.

It is unknown if revenue generated under the bill would be sufficient to cover all of the costs of administering the Act. Since the bill would appropriate no additional resources, costs that exceeded the amount of revenue raised under the bill would come from existing Department resources.

The criminal penalties and sentencing guidelines in House Bills 4295 (S-1) and 4296 (H-1) would have an indeterminate fiscal impact on State and local government. There are no data to indicate how many offenders would be convicted of the proposed offenses. An offender convicted of the Class E offense under the bills would receive a sentencing guidelines minimum sentence range of 0-3 months to 24-38 months. Local governments would incur the costs of incarceration in local facilities, which vary by county. The State would incur the cost of felony probation at an annual average cost of \$2,500, as well as the cost of incarceration in a State facility at an average annual cost of \$34,000. Additional penal fine revenue would benefit public libraries.

Date Completed: 10-17-11

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.