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BILL ANALYSIS



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House Bill 4335 (Substitute S-2 as reported)
House Bill 4336 (Substitute S-1 as reported)
Sponsor: Representative David Robertson
House Committee: Regulatory Reform
Senate Committee: Economic Development, Small Business and Regulatory Reform

CONTENT

House Bill 4335 (H-1) would enact the "Michigan Boxing Regulatory Act" and repeal Article 8 of the Occupational Code, which regulates amateur and professional boxing matches. The bill would do the following:

- Create the Michigan Boxing Commission.
- Require the Department of Labor and Economic Growth, at the Commission's request, to promulgate rules, including rules that set license fees and licensee qualifications.
- Create the "Michigan Boxing Fund".
- Require the licensure of participants in boxing contests, and prescribe criminal penalties for violating the licensure requirement.
- Establish requirements for a promoter's license.
- Set promoters' license fees and event fees.
- Impose a regulatory and enforcement fee upon promoters to assure the integrity of the sport.
- Provide for license fees for all participants in the activities regulated by the Act, including physicians, physicians' assistants, nurse practitioners, referees, judges, matchmakers, timekeepers, professional boxers, contestants, or managers, or a second of those persons.
- Provide for complaints, investigations, and hearings regarding violations of the proposed Act.
- Prescribe sanctions for violations, including summary license suspension, an administrative fine, and the withholding of a purse.
- Provide for the drug testing of contestants.
- Increase boxers' insurance requirements.
- Reduce the number of rounds allowed in a national or international championship competition.

The bill also would repeal Section 49 of the State License Fee Act, which sets application processing fees and license fees for people licensed or seeking licensure under Article 8.

House Bill 4336 (S-1) would amend the Michigan Penal Code to specify that Chapter LXVI, regulating prize fights, would not apply to contests held under the proposed Act (rather than under Article 8 of the Occupational Code).

The bills are tie-barred to each other and would take effect 90 days after the date of their enactment.

FISCAL IMPACT

House Bill 4335 (S-2) would create the Michigan Boxing Fund, which would receive deposits from venue, licensing, and application fees. Current costs associated with the regulation of this profession are approximately \$100,000. According to the Department, the additional costs associated with licensing and enforcement as outlined in the bill would be approximately \$300,000. According to the Department, there were eight events in the last 12 months that would have been subject to the regulatory and enforcement fee. If the same number of fights occurs in the next year, this fee could generate \$200,000, which should be sufficient to cover the cost of regulating this industry.

House Bill 4336 (S-1) would have no fiscal impact on State or local government.

Date Completed: 9-28-04

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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.