



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 577 (as reported without amendment)
Sponsor: Senator Joe Hune
Committee: Regulatory Reform

CONTENT

The bill would amend the Michigan Unarmed Combat Regulatory Act to do the following:

- Establish a ceiling of \$50,000 on the amount of the bond a promoter must file with the Department of Licensing and Regulatory Affairs (LARA) before LARA grants approval for a contest or exhibition.
- Reduce a mixed martial arts promoter's event fee from \$2,000 to \$125.
- Exempt a promoter who agreed to pay a \$25,000 regulatory and enforcement fee from a requirement to submit the probable total gross receipts from broadcasting, television, and motion picture rights.
- Require the Michigan Unarmed Combat Commission to perform drug testing on a professional before or after a contest, and subject the professional to disciplinary action by the Commission if the test confirmed a violation of the Act.
- Delete a provision under which a promoter must withhold or escrow a certain amount of the purse until LARA receives postcontest drug test results, and surrender that amount to LARA if the results confirm noncompliance with the Act.
- Specify that information that included a trade secret or commercial, financial, or proprietary information would not be subject to the Freedom of Information Act.
- Revise the eligibility requirements for certain members of the Michigan Unarmed Combat Commission.
- Revise the identifying information that must be included in an application for a promoter's license.

MCL 338.3620 et al.

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have a small but negative impact on the State's finances. Currently, promoters of mixed martial arts (MMA) events are required to pay an event fee of \$2,000. The bill would reduce this fee to \$125, which is the same as the fee that boxing promoters are required to pay. It is unknown how much revenue would be lost under the reduced fee structure, but those losses would be reflected in a smaller amount of revenue being credited to the Unarmed Combat Fund. The Unarmed Combat Fund is used by the Department of Licensing and Regulatory Affairs for the administration of the Unarmed Combat Commission and the administration of the Michigan Unarmed Combat Regulatory Act.

Date Completed: 6-8-12

Fiscal Analyst: Josh Sefton