

**STATE OF MICHIGAN
96TH LEGISLATURE
REGULAR SESSION OF 2012**

Introduced by Senator Hune

ENROLLED SENATE BILL No. 577

AN ACT to amend 2004 PA 403, entitled "An act to regulate certain forms of boxing; to create certain commissions and to provide certain powers and duties for certain state agencies and departments; to license and regulate certain persons engaged in boxing, certain persons connected to the business of boxing, and certain persons conducting certain contests and exhibitions; to confer immunity under certain circumstances; to provide for the conducting of certain tests; to assess certain fees; to create certain funds; to promulgate rules; to provide for penalties and remedies; and to repeal acts and parts of acts," by amending sections 20 and 33 (MCL 338.3620 and 338.3633), as amended by 2007 PA 196, and by adding section 61a.

The People of the State of Michigan enact:

Sec. 20. (1) The Michigan unarmed combat commission is created in the department. The commission shall consist of the director, serving as a nonvoting ex officio member of the commission, and 11 voting members, appointed by the governor with the advice and consent of the senate, as follows:

- (a) Four members who have experience, knowledge, or background in boxing.
- (b) Four members who have experience, knowledge, or background in mixed martial arts.
- (c) Three members who are members of the general public.

(2) The department shall provide the budgeting, procurement, human resources, information technology, and related management functions of the commission.

(3) Except as otherwise provided in this subsection, the 11 members appointed by the governor shall serve a term of 4 years. However, of the initial members appointed under this act, the governor shall appoint 2 of the members to terms of 4 years, 2 of the members to terms of 2 years, and 3 of the members to terms of 1 year. Members appointed by the governor serve at the pleasure of the governor.

(4) Subject to subsection (5), 7 members of the commission constitute a quorum for the exercise of the authority conferred on the commission under this act. Subject to subsection (5), approval by at least 4 of the members, or by a majority of those members who have not participated in an investigation or administrative hearing regarding a matter before the commission, is necessary for action by the commission.

(5) All of the following apply if a proposed action of the commission is designated by the director as related only to boxing:

- (a) The proposed action shall only be considered by the commission members described in subsection (1)(a) and (c).
- (b) The quorum requirement for consideration of the proposed action is 4 members who are eligible to consider the action under subdivision (a), 2 of whom are members described in subsection (1)(a).
- (c) Approval by at least 3 of the members who are eligible to consider the action under subdivision (a) is required for the commission to take that action.

(6) All of the following apply if a proposed action of the commission is designated by the director as related only to mixed martial arts:

(a) The proposed action shall only be considered by the commission members described in subsection (1)(b) and (c).

(b) The quorum requirement for consideration of the proposed action is 4 members who are eligible to consider the action under subdivision (a), 2 of whom are members described in subsection (1)(b).

(c) Approval by at least 3 of the members who are eligible to consider the action under subdivision (a) is required for the commission to take that action.

(7) While serving as a member of the commission, an individual shall not promote or sponsor any contest or exhibition of boxing, or a combination of those events, or have any financial interest in the promotion or sponsorship of those contests or exhibitions. The commission shall meet not less than 4 times per year, and on the request and at the discretion of the chair, the department shall schedule additional interim meetings.

(8) Except as otherwise provided in sections 33(9) and 61a, the records of the commission are subject to disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(9) Meetings of the commission are subject to the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

Sec. 33. (1) An application for a promoter's license must be in writing and shall include the legal name, street address, and telephone number of the applicant.

(2) An applicant for a promoter's license must demonstrate good moral character. If an applicant for a promoter's license is denied a license due to lack of good moral character, the applicant may petition the commission for a review of the decision under section 46.

(3) Before the department grants an approval for a contest or exhibition, the promoter must file a bond with the department in an amount fixed by the department but not less than \$20,000.00 or more than \$50,000.00. The applicant shall execute the bond as principal, and the bond shall be issued by a corporation qualified under the laws of this state as surety, payable to the state of Michigan, and conditioned on the faithful performance by the applicant of the provisions of this act. The bond must be purchased at least 5 days before the contest or exhibition and may be used to satisfy payment for the professionals, costs to the department for ring officials and physicians, and drug tests.

(4) A promoter must apply for and obtain an annual license from the department in order to present a program of contests or exhibitions regulated under this act. The annual license fee is \$250.00. The department shall request, and the applicant shall provide, any information that the department determines is necessary to ascertain the financial stability of the applicant. Section 61a applies to any information provided by an applicant under this subsection.

(5) A boxing promoter shall pay an event fee of \$125.00. A mixed martial arts promoter shall pay an event fee of \$125.00.

(6) Each promoter shall pay a regulatory and enforcement fee to assure the integrity of the sports of boxing and mixed martial arts, the public interest, and the welfare and safety of the professionals. The amount of the fee is 3% of the total gross receipts from the sale, lease, or other exploitation of broadcasting, television, and motion picture rights for an event, or \$25,000.00, whichever is less, for a boxing or mixed martial arts event to which any of the following apply:

(a) If the event is a boxing event, the event is located in a venue with a seating capacity of more than 5,000.

(b) The promoter proposes to televise or broadcast the event over any medium for viewing by spectators who are not present in the venue.

(c) The event is designed to promote professional boxing or mixed martial arts contests in this state.

(7) For purposes of subsection (6), at least 10 days before the boxing or mixed martial arts event, the promoter shall submit the contract subject to the regulatory and enforcement fee to the department, stating the amount of the probable total gross receipts from the sale, lease, or other exploitation of broadcasting, television, and motion picture rights for the event. However, this subsection does not apply to a promoter that agrees to pay a regulatory and enforcement fee for the event in the amount of \$25,000.00, and the department receives that payment from the promoter at least 1 business day before the event.

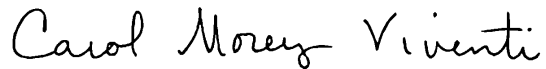
(8) The department shall deposit the money received from the proceeds of the regulatory and enforcement fee into the fund created in section 22 and use those proceeds for the purposes described in that section.

(9) Within 1 business day before a boxing or mixed martial arts contest or exhibition, the promoter shall deliver to the department an executed copy of all of the executed contracts between the promoter and the professionals participating in that contest or exhibition. The copies of the contracts are exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, except that the department may disclose statistical information on the number, types, and amounts of contracts if information regarding identifiable individuals or categories is not revealed.

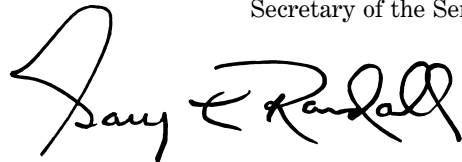
(10) The commission or department may perform drug testing on a professional before or after a contest or exhibition to detect the presence of alcohol, stimulants, or drugs, including, but not limited to, performance enhancing drugs. A professional shall submit to a urinalysis or chemical test before or after a contest or exhibition if the commission, the department, or a designated representative of the commission or department directs him or her to do so. If a professional fails or refuses to submit to a urinalysis or chemical test under this subsection, or the results of the urinalysis or chemical test confirm or demonstrate the professional has violated this act, he or she is subject to disciplinary action by the commission under this act. In addition to any other disciplinary action by the commission, if the professional won the contest or exhibition or the contest or exhibition was a draw, the commission may change the result of that contest or exhibition to a no decision. The department may promulgate rules to define the terms "stimulants" or "performance enhancing drugs."

Sec. 61a. A record or portion of a record, material, information, or other data received, prepared, used, or retained by the department or commission under this act that includes a trade secret or commercial, financial, or proprietary information of a licensee or license applicant, and that the licensee or applicant requests in writing be treated as confidential by the department or commission, is not subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246. As used in this section, "trade secret or commercial, financial, or proprietary information" means information that has not been publicly disseminated or that is unavailable from other sources, the release of which might cause the licensee or applicant significant competitive harm.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved

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Governor