



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2009 Senate Bill 290

**Assembly Substitute
Amendment 1**

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This memorandum describes the changes made to 2009 Senate Bill 290 by Assembly Substitute Amendment 1 (ASA 1) to 2009 Senate Bill 290. Senate Bill 290 relates to changes in the regulation of boxing contests and the regulation of mixed martial arts fighting contests.

Current Law

Current law authorizes the Department of Regulation and Licensing (DRL) to regulate boxing contests conducted in this state. Senate Bill 290 requires DRL to regulate mixed martial arts fighting contests and makes several changes relating to the regulation of boxing by the department.

Provisions of Assembly Substitute Amendment 1

ASA 1 makes a number of changes to the original bill, including the following:

1. Defines the following terms: (1) amateur mixed martial arts fighting contest; (2) professional mixed martial arts fighting contest; (3) mixed martial arts fighting; and (4) professional contest. These definitions clarify terms used throughout the bill and allow the definitions of amateur boxing contests and professional boxing contests to remain unchanged.

2. Revises s. 444.02, Stats., by expressly providing that every license issued by DRL under the chapter is subject to the department's rules and regulations. The section is also modified to permit DRL to reprimand the promoter or club for violating provisions of ch. 444, Stats., or any rule of the department.

3. Creates a **\$300** nonrefundable "processing fee" to be paid with each permit application by the promoter or club. Also, within two business days of a professional boxing contest being held, a promoter or club must pay an event fee, as follows:

- a. If the number of tickets sold for the event is less than 2,000, an event fee of **\$450**.

- b. If the number of tickets sold for the event is less than 5,000 but more than 1,999, an event fee of **\$2,200**, plus a gate fee equal to the *lesser* of 5% of the total amount collected by the club or promoter in gross ticket sales, or **\$4,000**.
 - c. If the number of tickets sold for the event is 5,000 or more, an event fee of **\$4,700**, plus a gate fee of equal to the *lesser* of 5% of the total amount collected by the club or promoter in gross ticket sales, or **\$12,500**.
4. Replaces the graduated fee charged for a license for a professional contest or amateur mixed martial arts fighting contest based on the population in a municipality with a single fee of **\$500**.
5. Requires DRL, by rule, to require a promoter or club conducting a professional contest or amateur mixed martial arts fighting contest to post a bond or other surety in a “reasonable amount” determined by the department, to ensure payment of a promoter’s or club’s expenses in conducting the contest, including payments to contestants and to the department.
6. Provides that within two business days, rather than the 24 hours required under the original bill, the club is required to furnish the department a written report, verified by the promoter or by one of the club’s officers under penalty of *perjury*, showing the number of tickets sold for the contest, the amount of gross proceeds, and any other information the department requires by rule to be included in the report. ASA 1 expressly grants DRL the authority to limit, suspend, revoke, or assess a forfeiture for failure by a promoter or club to provide accurate information to the department.
7. Includes the following changes relating to *boxing contests*:
 - a. Professional boxing contests are limited to 12 rounds. Current law limits a contest to 10 rounds. The substitute amendment does not change current law that provides that no round may last more than three minutes.
 - b. Gloves weighing not less than *eight ounces* (current law requires not less than five ounce gloves) must be worn by contestants who are in professional boxing contests and who weigh under 140 pounds. ASA 1 also increases the weight of gloves worn by boxers weighing 140 pounds or more from six ounces or more to **10 ounces** or more.
 - c. Provisions in current law related to contestants in professional boxing contests are clarified to prohibit butting with head or shoulders, wrestling, or illegal use of elbows.
 - d. The provision in current law, which allows DRL to permit a total of 40 rounds of professional boxing or sparring at one time when requested by any licensed club, is repealed.
 - e. Except as otherwise specified in ch. 444, Stats., boxing contests must be conducted under the Association of Boxing Commissions’ Uniform Boxing Rules.
8. Requires, except as otherwise provided in ch. 444, Stats., that mixed martial arts fighting contests be conducted under the Association of Boxing Commissions’ Uniform Boxing Rules of mixed martial arts.

9. Sets an annual license fee for contestants at \$40 annually. Currently, boxers pay an annual fee of \$5. ASA 1 also creates a \$15 annual fee for judges.

10. Allows DRL to hire an independent auditor to assist in determining the total amount of gross receipts for any contest and also permits the Secretary of DRL to require the promoter or club to pay the expenses of the examination by the department or the independent auditor's fee.

11. Allows DRL to require a promoter or club to pay the cost of designating additional inspectors, who may include a referee or judge performing the duties of an inspector for an event. In addition, DRL may require a promoter or club to pay the department an amount not to exceed \$250 for each additional inspector designated by DRL.

12. Requires any licensee authorized to conduct professional contests or amateur mixed martial arts fighting contests to insure each contestant participating for hospital, nursing, and medication expenses and physician's and surgeon's services according to an equitable fee schedule, not to exceed in the aggregate \$25,000, to be paid to or for the use of any contestant to compensate for injuries sustained in any such contest. ASA 1 also requires that each contestant be insured for not less than \$25,000 to be paid to the contestant's estate in the event of the contestant's death as a result of participation in a contest. The original legislation required insurance in an amount that did not exceed in the aggregate \$500 in fees and required only insurance for not less than \$2,500 to be paid in the event of a contestant's death.

13. Authorizes DRL to adjust any fees in ch. 444 by rule to account for changes in the cost of administration and enforcement.

14. Requires DRL to submit, in proposed form, the administrative rule required for the bond amount to the Legislative Council Rules Clearinghouse no later than the first day of the sixth month beginning after the effective date of the law. ASA 1 also provides for the filing of a rule that can take effect under the emergency rule provisions of the statutes.

15. Authorizes an increase in **3.0** program revenue positions for the department for the purpose of providing staff for the administration of the statutes, as affected by the legislation.

16. Provides DRL with a program revenue increase of \$245,400 in the second year of the biennium to provide additional funding for the administration and enforcement of ch. 444, Stats., as affected by the legislation.

17. Contains a delayed effective date, providing that the legislation takes effect on the first day of the seventh month beginning after publication. The original bill contained no delayed effective date.

The substitute amendment contains no other substantive changes to the original legislation.

Legislative History

2009 Senate Bill 290 was introduced on September 16, 2009 by Senator Hansen and others; cosponsored by Representative Colon and others and referred to the Senate Committee on Labor, Elections and Urban Affairs. A public hearing was held before that committee on October 13, 2009.

Senator Hansen offered Senate Substitute Amendment 1 on October 27, 2009 and Senate Substitute Amendment 2 on October 28, 2009. On October 29, 2009, Senator Hansen introduced Senate Substitute Amendment 3 which was adopted at an executive session of the Senate Labor, Elections and Urban Affairs Committee on the same day on a vote of Ayes, 5; Noes, 0. The committee voted to recommend passage of the bill, as amended, on a vote of Ayes, 5; Noes, 0.

On November 5, 2009, the Senate passed the bill as amended by Senate Substitute Amendment 3.

On December 16, 2009, Representative Colon introduced ASA 1. In an executive session on January 12, 2010, the Assembly Committee on Consumer Protection adopted ASA 1 by a vote of Ayes, 9; Noes, 0. The Assembly Committee voted on the same day to recommend concurrence of the bill, as amended by ASA 1, on a vote of Ayes, 9; Noes, 0.

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