# GENERAL ASSEMBLY OF NORTH CAROLINA **SESSION 2001**

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# **HOUSE BILL 374 Committee Substitute Favorable 3/26/01**

Short Title: S	tate Boxing Commission-AB.	(Public)
Sponsors:		
Referred to:		
	March 1, 2001	
	A BILL TO BE ENTITLED	
AN ACT TO C	GRANT THE STATE BOXING COMMISSION THE AUTH	HORITY TO
	E WRESTLING AND MIXED MARTIAL ARTS EV	
	THE LAWS REGULATING BOXING, AND TO AL	
	ION TO INCREASE CERTAIN FEES.	
	ssembly of North Carolina enacts:	
	<b>TION 1.</b> G.S. 143-650 reads as rewritten:	
"§ 143-650. Le	egislative findings and declarations.	
	Assembly finds and declares to be the public policy of this	State that it
is in the best in	nterest of the public and of boxing that boxingthat boxing,	kickboxing,
toughman, wre	stling, and mixed martial arts matches should be subject to	an effective
and efficient sy	stem of strict control and regulation in order to:	
(1)	Protect the safety and well-being of participants in boxing public.	; <del>; and</del> and the
(2)	Promote the public confidence and trust in the regulatory	process and
· /	the conduct of boxing.these matches.	1
To further the	public confidence and trust, the provisions of this Article are	e designed to
_	rsons, practices, and associations related to the operation	-
boxing boxing	g, kickboxing, toughman, wrestling, or mixed martial	arts event,
performance, o	r contest held in North Carolina."	
SEC	TION 2. G.S. 143-651 reads as rewritten:	
"§ 143-651. De		
	ng definitions apply in this Article:	
(1)	Amateur. – A person who is not receiving or competing	
	never received or competed for any purse or other article	e or thing of
	value for participating in a match.	
(2)	Announcer. – Any person who engages in the act of a	nnouncing a
<b>(2)</b>	boxing match.	
(3)	Boxer. – Any person who engages as a participant in a box	ang match.

1	(4	4)	Boxing match. – A match where the participants engage in the use of
2	(-	<b>T</b> )	full contact boxing techniques (using the fist only), and where the
3			object of a match is to win by decision, knockout (KO), or technical
4			knockout (TKO).
5	(:	5)	Commission. – The North Carolina State Boxing Commission.
6	`	6)	Contest. – A boxing match in which the participants strive to win.
7		7)	Contestant. – Any person who engages as a participant in a boxing
8	`	- /	boxing, kickboxing, toughman, wrestling, or mixed martial arts match.
9	(8	8)	Exhibition. – A boxing match where the participants display their
10	`		boxing skills and technique without necessarily striving to win.
11	(9	9)	Judge A person who has a vote in determining the winner of any
12	`		match or contest.
13	(	10)	Kickboxer Any person who engages as a participant in a kickboxing
14			match.
15	(	11)	Kickboxing match A match in which the participants engage in full
16			contact martial arts fighting techniques using the hands and the feet,
17			and where the object of the match is to win by decision, knockout
18			(KO), or technical knockout (TKO).
19	(1	12)	Licensee Any person, club, corporation, organization, or association
20			to whom a license has been issued pursuant to the provisions of this
			Article.
21 22 23 24 25 26	(	13)	Manager Any person who controls or administers the boxing
23			boxing, kickboxing, toughman, wrestling, or mixed martial arts affairs
24			of any contestant, and who:
25			a. By contract, agreement, or other arrangement with any person
26			undertakes or has undertaken to represent in any way the
27			interest of the contestant in any professional boxing contest in
28			which the boxer boxer, kickboxer, wrestler, or mixed martial
29			arts contestant is to participate as a contestant, and is entitled
30			under that contract, agreement, or arrangement to receive
31			monetary or other compensation for his services, without regard
32			to the sources of the compensation. The term "manager" shall
33			not be construed to mean any attorney licensed to practice in
34			this State whose participation in the activities is restricted solely
35			to representing the interests of a professional boxerparticipant
36			as a client.
37			b. Directs or controls the <del>professional boxing</del> activities of any
38			professional boxer.participant.
39			c. Receives or is entitled to receive a percentage of the gross purse
40			or gross income of any professional boxing contest.participant
41		1.4	in a match.
<b>1</b> 2	(	14)	Match Any boxing or kickboxing boxing, kickboxing, toughman,

wrestling, or mixed martial arts contest or exhibition, and includes any

1		event, engagement, sparring or practice session, show or program
2		where the public is admitted and in which there is intended to be
3		physical contact, whether an exhibition or contest. This definition does
4		not include training or practice sessions when no admission is charged.
5	(15)	Matchmaker A person through whom matches are arranged for
6	, ,	participants and who otherwise assists participants in procuring
7		engagement dates for boxing.a match.
8	(15a)	
9		participates in a mixed martial arts match.
10	(15b)	Mixed martial arts match. – A match where the participants engage in
11		full contact martial arts techniques, and a fee for viewing the match is
12		charged or solicited, or a purse or prize is awarded to the contestant.
13	(16)	Natural person. – An individual.
14	(17)	Participant. – Any person who engages in a match or exhibition and
15	· /	performs as a boxer.match.
16	(18)	Person. – An individual, group of individuals, business, corporation,
17	( - /	limited liability company, partnership, or any other individual or
18		collective entity.
19	(19)	Physician. – An individual licensed to practice medicine in this State.
20	(20)	Professional. – Any person who is licensed as a professional boxer
21	(20)	under the federal Professional Boxing Safety Act of 1996.
22	(21)	Promoter. – Any person who produces, arranges, stages, holds, or
23	(21)	gives any match in North Carolina involving a professional participant.
24	(22)	Referee. – The official who shall enter and remain in the ring for the
25	(22)	duration of a match and shall enforce the rules and maintain order in
26		the ring.
27	(23)	Ring official. – Any person who performs an official function for the
28	(23)	duration of a match.
29	(23a)	Sanctioned amateur. – A person who competes in a sanctioned amateur
30	(23a)	match.
31	(23b)	Sanctioned amateur match. – Any boxing or kickboxing match
32	(230)	regulated by an amateur sports organization that has been recognized
33		and approved by the North Carolina State Boxing Commission.
34	(24)	Second. – Any person who will work or be present in the corner of a
35	(24)	* *
	(25)	participant for the duration of a match.
36	(25)	Timekeeper. – Any person who will operate the clock or watch for the duration of a match for the purpose of keeping the official time of the
37		duration of a match for the purpose of keeping the official time of the
38	(250)	match.
39	(25a)	Toughman contestant. – Any person who competes in a toughman
40	(OF1-)	event.  Touchers avent An alimination magness of matches in which (i)
41	(25b)	
42		the contestants are not professional boxers, (ii) the finalist receives a
43		purse or other article of value, (iii) the participants engage in the use of

	full contact boxing techniques, and (iv) the object of each match is to win by decision, knockout (KO), or technical knockout (TKO).  Wrestling contestant. – Any person who competes or participates in a wrestling event.  Wrestling match. – A match where the participants engage in full
	Wrestling contestant. – Any person who competes or participates in a wrestling event.
	Wrestling contestant. – Any person who competes or participates in a wrestling event.
(25d)	<del></del>
<u>(25d)</u>	Wrestling match. – A match where the participants engage in full
<del></del>	
	contact wrestling techniques, and a fee for viewing the match is
	charged or solicited, or a purse or prize is awarded to the contestant.
(26)	Ultimate warrior match. – A match where the participants use any
` ,	combination of boxing, kicking, wrestling, hitting, punching, or other
	combative, contact techniques and which combination of techniques is
	not specifically authorized by and conducted pursuant to this Article."
SECT	TION 3. G.S. 143-652 reads as rewritten:
"§ 143-652. Sta	te Boxing Commission.
	on The North Carolina State Boxing Commission is created within
	of Crime Control and Public Safety to regulate in North Carolina live
	boxingboxing, kickboxing, toughman, wrestling, or mixed martial arts
	er professional, amateur, sanctioned amateur, or toughman events, in
	is charged for viewing, or the contestants compete for a purse or prize
	than twenty-five dollars (\$25.00). The Commission shall consist of six
•	s and two nonvoting advisory members. All the members shall be
-	rth Carolina and shall meet requirements for membership under the
	xing Safety Act of 1996. The members shall be appointed as follows:
	One voting member shall be appointed by the Governor for an initial
` ,	term of two years.
(2)	One voting member shall be appointed by the General Assembly upon
. ,	the recommendation of the President Pro Tempore of the Senate for an
	initial term of one year, in accordance with G.S. 120-121.
(3)	One voting member shall be appointed by the General Assembly upon
` ,	the recommendation of the Speaker of the House of Representatives
	for an initial term of one year.
(4)	Two voting members shall be appointed by the Secretary of Crime
. ,	Control and Public Safety. One shall serve for an initial term of three
	years, and the other shall serve for an initial term of two years.
(4a)	One member shall be appointed by the Tribal Council of the Eastern
, ,	Band of the Cherokee for an initial term of three years.
(5)	One nonvoting advisory member shall be appointed by the General
` ,	Assembly upon the recommendation of the Speaker of the House of
	Representatives for an initial term of one year, in accordance with G.S.
	120-121, from nominations made by the North Carolina Medical
	Society, which shall nominate two licensed physicians for the position.
(6)	One nonvoting advisory member shall be appointed by the General
` /	Assembly upon the recommendation of the President Pro Tempore of
	the Senate for an initial term of one year, in accordance with G.S.
	"§ 143-652. Sta (a) Creati the Department boxing and kick matches, whether which admission of value greater voting members residents of No

1 120-121, from nominations made by the North Carolina Medical Society, which shall nominate two licensed physicians for the position.

The member appointed pursuant to subdivision (5) of subsection (a) of this section may serve on the Commission only if an agreement exists and remains in effect between the Tribal Council of the Eastern Band of the Cherokee and the Commission authorizing the Commission to regulate professional boxing matches within the Cherokee Indian Reservation as provided by the Professional Boxing Safety Act of 1996.

The two nonvoting advisory members appointed pursuant to subdivisions (6) and (7) of subsection (a) of this section shall advise the Commission on matters concerning the health and physical condition of boxers and health issues relating to the conduct of exhibitions and boxing matches. They may prepare and submit to the Commission for its consideration and approval any rules that in their judgment will safeguard the physical welfare of all participants engaged in boxing.

Terms for all members of the Commission except for the initial appointments shall be for three years.

The Secretary of Crime Control and Public Safety shall designate which member of the Commission is to serve as chair. A member of the Commission may be removed from office by the Secretary of Crime Control and Public Safety. Each member before entering upon the duties of a member shall take and subscribe an oath to perform the duties of the office faithfully, impartially, and justly to the best of the member's ability. A record of these oaths shall be filed in the Department of the Secretary of Crime Control and Public Safety.

- (b) Vacancies. Members shall serve until their successors are appointed and have been qualified. Any vacancy in the membership of the Commission shall be filled in the same manner as the original appointment. Vacancies for members appointed by the General Assembly shall be filled in accordance with G.S. 120-122. A vacancy in the membership of the Commission other than by expiration of term shall be filled for the unexpired term only.
- (c) Meetings. Meetings of the Commission shall be called by the chair or by any two members of the Commission, and meetings shall be held at least quarterly. Any three voting members of the Commission shall constitute a quorum at any meeting. Action may be taken and motions and resolutions adopted by the Commission at any meeting by the affirmative vote of a majority of the members of the Commission present at a meeting at which a quorum exists. Any or all members may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all members participating may simultaneously hear each other during the meeting. A member participating in the meeting by this means is deemed to be present in person at the meeting.
- (d) Rule-Making Authority of the Commission. The Commission shall have the exclusive authority to approve and issue rules for the regulation of the conduct, promotion, and performances of live boxing, kickboxing, wrestling, mixed martial arts, sanctioned amateur, amateur, and toughman matches and exhibitions in this State. The

rules shall be issued pursuant to the provisions of Chapter 150B of the General Statutes and may include, without limitation, the following subjects:

- (1) Requirements for issuance of licenses and permits required by this Article.
- (2) Regulation of ticket sales.
- (3) Physical requirements for contestants, including classification by weight and skill.
- (4) Supervision of matches and exhibitions by licensed physicians and referees.
- (5) Insurance and bonding requirements.
- (6) Compensation of participants and licensees.
- (7) Contracts and financial arrangements.
  - (8) Prohibition of dishonest, unethical, and injurious practices.
- (9) Facilities.

- (10) Approval of sanctioning amateur sports organizations.
- (11) Procedures and requirements for compliance with the Professional Boxing Safety Act of 1996.
- (e) Compensation. None of the members of the Commission shall receive compensation for serving on the Commission. However, members of the Commission may be reimbursed for their expenses in accordance with the provisions of Chapter 138 of the General Statutes.
- (f) Staff Assistance. The Secretary of Crime Control and Public Safety shall hire a person to serve as Executive Director of the Commission and shall provide staff assistance to the Executive Director. The Executive Director shall enforce this Article through the Department of Crime Control and Public Safety. If necessary, the Executive Director may train and contract with independent contractors for the purpose of regulating and monitoring events, issuing licenses, collecting fees, and enforcing rules of the Commission. The Executive Director may initiate and review criminal background checks on persons requesting to work as independent contractors for the Commission or persons applying to be licensed by the Commission."

**SECTION 4.** G.S. 143-653 reads as rewritten:

## "§ 143-653. Ultimate warrior matches prohibited.

Ultimate warrior matches, whether the participants are professionals or amateurs, are prohibited. No person shall promote, conduct, or engage in ultimate warrior matches. This section shall not preclude boxing and kickboxing boxing, kickboxing, toughman, wrestling, or mixed martial arts as regulated in this Article or professional wrestling. Article."

**SECTION 5.** G.S. 143-654 reads as rewritten:

#### "§ 143-654. Licensing and permitting.

(a) License and Permit Required. – Except for sanctioned amateur matches, it is unlawful for any person to act in this State as an announcer, contestant, judge, manager, matchmaker, promoter, referee, timekeeper, or second unless the person is licensed to do so under this Article. It is unlawful for a promoter to present a match in this State,

other than a sanctioned amateur match, unless the promoter has a permit issued under this Article to do so. The Commission has the exclusive authority to issue, deny, suspend, or revoke any license or permit provided for in this Article.

(b) License. – All licenses issued under this Article shall be valid only during the calendar year in which they are issued, except contestant licenses shall be valid for one year from the date of issuance. A license for an announcer, contestant, judge, matchmaker, referee, timekeeper, or second shall be issued only to a natural person. A natural person shall not transfer or assign a license or change it into another name. A license for a manager or promoter may be issued to a corporation or partnership; provided, however, that all officers or partners shall submit an application for individual licensure, and only those officers or partners who are licensed shall be entitled to negotiate or sign contracts. The addition of a new officer or partner during the license period shall necessitate the filing of an application for individual licensure by the new officer or partner.

An applicant for a license shall file with the Commission the appropriate nonrefundable fee and any forms, documents, medical examinations, or exhibits the Commission may require in order to properly administer this Article. The information requested shall include the date of birth and social security number of each applicant as well as any other personal data necessary to positively identify the applicant and may include the requirement of verification of any documents the Commission deems appropriate. A person may not participate under a fictitious or assumed name in any match unless the person has first registered the name with the Commission. Any applicant seeking licensure as a promoter shall provide major medical coverage from an insurance company licensed by the State Department of Insurance to provide medical insurance in this State in an amount not less than two thousand five hundred dollars (\$2,500) for each fighter.

- (b1) Upon payment of the required fee as provided in G.S. 143-655(a), the Commission shall issue a federal identification card to each boxer as required by the federal Professional Boxing Safety Act of 1996.
- (b2) All promoters shall report all bout agreements and payments to officials to the Commission.
- (c) Surety Bond. An applicant for a promoter's license must submit, in addition to any other forms, documents, or exhibits requested by the Commission, a surety bond payable to the Commission for the benefit of any person injured or damaged by (i) the promoter's failure to comply with any provision of this Article or any rules adopted by the Commission or (ii) the promoter's failure to fulfill the obligations of any contract related to the holding of a boxing event.match. The surety bond shall be a cash bond or be issued by a company licensed by the State Department of Insurance to do bond business in this State in an amount to be no less than five thousand dollars (\$5,000). The amount of the surety bond shall be negotiable upon the sole discretion of the Commission. All surety bonds shall be upon forms approved by the Secretary of Crime
- 42 Control and Public Safety and supplied by the Commission.

(d) Permit. – A permit issued to a promoter under this Article is valid for a single match. An applicant for a permit shall file with the Commission the appropriate nonrefundable fee and any forms or documents the Commission may require."

**SECTION 6.** G.S. 143-655 reads as rewritten:

### "§ 143-655. Fees; State Boxing Commission Revenue Account.

(a) License Fees. – The Commission shall collect the following license fees:

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8	Announcer	\$ 50.00
9	Contestant	\$ 25.00
10	Judge	\$ 50.00
11	Manager	\$100.00
12	Matchmaker	\$200.00
13	Promoter	\$300.00
14	Referee	\$ 50.00
15	Timekeeper	\$ 50.00
16	Second	<del>\$ 25.00.</del> \$ 25.00
17	Federal I.D. card	<u>\$25.00.</u>

The annual license renewal fees shall not exceed the initial license fees.

(b) Permit Fees. – The Commission may establish a fee schedule for permits issued under this Article. The fees may vary depending on the seating capacity of the facility to be used to present a match. The fee may not exceed the following amounts:

23 Seating Capacity Fee Amount
24 Less than 2,000 \$\frac{\$100.00}{\$150.00}\$
25 2,000 - 5,000 \$\frac{\$200.00}{\$200.00}\$
26 OverFor each additional 5,000 \$\frac{\$300.00}{\$300.00}\$
\$350.00.

In addition to the permit fees required in this subsection, the Commission may charge a fee equal to ten percent (10%) of the total purse of each professional boxing event.

(c) State Boxing Commission Revenue Account. – There is created the State Boxing Commission Revenue Account within the Department of Crime Control and Public Safety. Monies [moneys] collected pursuant to the provisions of this Article shall be credited to the Account and applied to the administration of the Article."

**SECTION 7.** G.S. 143-658 reads as rewritten:

#### "§ 143-658. Violations.

(a) Civil Penalties. – The Secretary of Crime Control and Public Safety may issue an order against a licensee or other person who willfully violates any provision of this Article, Article or rules adopted by the Commission, imposing a civil penalty of up to five thousand dollars (\$5,000) for a single violation or of up to twenty-five thousand dollars (\$25,000) for multiple violations in a single proceeding or a series of related proceedings. No order under this subsection may be entered without giving the licensee or other person 15 days' prior notice and an opportunity for a contested case hearing conducted pursuant to Article 3 of Chapter 150B of the General Statutes.

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The clear proceeds of civil penalties imposed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

- Criminal Penalties. A willful violation of any provision of this Article or rules adopted by the Commission shall constitute a Class 2 misdemeanor. The Secretary of Crime Control and Public Safety may refer any available evidence concerning violations of this Article to the proper district attorney, who may, with or without such a reference, institute the appropriate criminal proceedings.
- Injunction. Whenever it appears to the Secretary of Crime Control and Public Safety that a person has engaged or is about to engage in an act or practice constituting a violation of any provision of this Article or any rule or order hereunder, the Secretary of Crime Control and Public Safety may bring an action in any court of competent jurisdiction to enjoin those acts or practices and to enforce compliance with this Article or any rule or order issued pursuant to this Article.
- Repealed by Session Laws 1998-212, s. 19.11(e)." **SECTION 8.** This act is effective when it becomes law.