

SESSION OF 2011

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2125

As Amended by Senate Committee of the Whole

Brief*

HB 2125, as amended, would make revisions to the Kansas Professional Regulated Sports Act and to the powers of the Athletic Commission.

The bill would authorize the Athletic Commission to impose a civil penalty which would be limited to a maximum of \$10,000 per day per violation. The section would outline procedures for the imposition of the penalty and an appeals process, including appeal to district court if necessary. Penalty funds would be deposited into the Athletic Fee Fund.

The bill would revise certain definitions and create new ones. In the definitions for "professional full-contact karate," "professional kickboxing," "mixed martial arts," and "professional wrestling," the bill would delete the requirement that the competition would have to take place in an enclosed ring. The terms dealing with karate and mixed martial arts would be revised further by excluding competitions that include weapons, and the contestants would be able to compete for prizes. New definitions would be added for "amateur mixed martial arts," and "grappling arts." "Regulated sports" would be revised to include amateur mixed martial arts, professional wrestling, and grappling arts. "Sparring" would be expanded to include kickboxing, professional and amateur mixed martial arts, grappling arts, or karate.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The general powers of the Athletic Commission would be revised. The Commission would be able to appoint chief inspectors and other personnel as deemed to be necessary. The Commission would be able to employ contractual labor, and the Commission would have rule and regulation authority regarding the certification and payment of inspectors. Adoption of such rules and regulations by the Commission would be required on or before July 1, 2012. The bill would authorize the Commission to issue licenses to announcers.

The bill would revise the name of the assessment placed on gross receipts, calling it a fee instead of a tax. The bill would authorize the Commission to impose a fee on the gross revenues received by a promoter and by a media network that televise a regulated sports contest. The fee rate would be limited to a maximum of 2.0 percent.

The Commission would be required to promulgate rules and regulations on or before July 1, 2012 regarding:

- Drug testing and communicable diseases;
- Full disclosure between promoters, broadcasters, media networks, or distributors;
- Set fee rates; and
- Any other rule necessary for the administration of the televising, broadcasting, or distributing of a regulated sports contest.

The bill would clarify that the Athletic Commission has permissive rule and regulation authority regarding professional wrestling. Under the current statute, if the Commission chooses to regulate professional wrestling, those rules and regulations are limited to subject areas specified in statute. The bill would permit professional wrestling rules and regulations to include liability insurance and additional subject areas if deemed necessary. In addition, professional wrestling rules and regulations could

require a promoter to obtain a license from the Commission prior to the performance.

KSA 74-50,189 outlines the circumstances under which the Commission may issue a license to hold a regulated sports contest. Under the bill, the Commission would be able to issue a contest license to a promoter, contingent upon an applicable resolution obtained from either a city or county to hold the event within the local government's jurisdiction (if required by the jurisdiction). The bill also would specify the number and duration of rounds for each regulated sport.

The bill would reorganize current law found in subsection (c) of KSA 74-50,193 regarding the grounds for which the Commission may withdraw or withhold a license. Additional grounds for such an action would be if a license holder provided incorrect, misleading, or incomplete information. The bill would clarify that if the Commission would impose a civil penalty, it would not be precluded from proceeding with any disciplinary proceeding.

The bill would take effect upon publication in the *Kansas Register*.

Background

Representative Tom Burroughs, who is also a member of the Kansas Athletic Commission, spoke in favor of the bill. He provided a history on the origins of the Athletic Commission which was created seven years ago. He stated that the legislation was needed to address changes in the competitive boxing and fighting industries. Written testimony from private citizens explained the growing popularity of mixed martial arts competitions. The State Boxing Commissioner, the Secretary of Commerce, and the Kansas Sheriffs' Association also provided testimony.

There was no opponent testimony at the House Committee hearing.

The Senate Committee on Public Health and Welfare amendment replaces the term “license” with “resolution” in the contest licensure requirement for a promoter to obtain permission, if required, from governing body of a city or county. The amendment was requested by the proponents of the bill, in consultation with the City of Overland Park, who appeared neutral to the bill and requested an amendment at the time of the Senate Committee hearing.

The Senate Committee of the Whole amended the bill to require the Commission to adopt rules and regulations on or before July 1, 2012, for the certification and payment of inspectors and as needed to implement the provisions of this act.

According to the fiscal note prepared by the Division of the Budget on the original bill, in consultation with the Department of Commerce, the bill would increase revenue in the Athletic Fee Fund by \$5,000 in FY 2011 and \$25,000 in FY 2012. The Department did not anticipate any increase in expenditures.