

MINUTES OF THE HOUSE ECONOMIC DEVELOPMENT COMMITTEE

The meeting was called to order by Chairman Kenny Wilk at 3:30 p.m. on February 12, 2004, in Room 526-S of the Capitol.

All members were present.

Committee staff present:

Kathie Sparks, Legislative Research Department  
Susan Kannarr, Legislative Research Department  
Rena Jefferies, Office of Revisor of Statutes  
Helen Pedigo, Office of Revisor of Statutes  
Fulva Seufert, Secretary

Conferees appearing before the committee: Representative Tom Burroughs  
Tim Lueckenhoff, President Association of Boxing  
Commission and Missouri Boxing Commissioner  
Richard Herring, Vice President, Governmental Affairs,  
World Wrestling Entertainment  
Damon Reed, Professional Boxer/Promoter  
George Clark, Boxing Promoter, Fire Fighter  
Franchesca Alcanter, Professional Boxer  
Carlos Pacheco, Hispanic Chamber of Commerce, Internal  
Association of Fire Fighters Human Relations Board  
Sumya Anani, 4 time World Champion  
Greg Gorrell, Wichita  
Billy Rork, Attorney at Law

Others attending:

See Attached List.

Chairman Wilk opened the meeting of the House Economic Development Committee February 12, 2004, at 3:30 p.m. The Chair announced that it was the intent to work **HB 2647** in committee next Tuesday, February 17, 2004. He requested committee members who have amendments to please have a balloon, if possible. The Chair also said he knew of at least two or three balloons and some technical changes and cleanup.

The Chair asked Ms. Sparks if she had brought her fighting gloves for the briefing on **HB 2713**.

**HB 2713 - Establishing a boxing commissioner, athletic commission, athletic fee fund, licensing, procedures for complaints**

Ms. Sparks briefed the committee and the Chair then opened the Public Hearing on **HB 2713**. The Chair welcomed Representative Burroughs who spoke as a proponent and said the bill would eliminate a state law giving local governments licensing control over prize fighting, boxing sparring, and mixed martial arts. Instead, the industry participants would be licensed by a boxing commission and/or commissioner. This would establish uniform guidelines for promoting and conducting professional bouts in Kansas. He gave a brief history of how the Kansas Athletic Commission was abolished in June, 1980 because Legislative Post Audit thought there were too few boxing events in Kansas. Legislative Post Audit thought there were not enough tax receipts for boxing to support the operation of a regulatory agency. However, the audit found that there was a definite need for some type of regulation. Rep. Burroughs said that Kansas has a rich boxing history and should join the majority of other states who provide an opportunity for their athletes to fight in their home state. (Attachment 1)

Chairman Wilk thanked Rep. Burroughs and asked him to introduce the conferees. Rep. Burroughs gave an overview of the presenters and then introduced Mr. Tim Lueckenhoff, President, Association of Boxing Commission and Missouri Boxing Commissioner. Mr. Lueckenhoff provided no written testimony, but stated that the federal government is almost prohibiting boxing in Kansas because regulators have no power. He said an association can come in and regulate, but this is much different than when a commissioner regulates. He stated that Kansas needs to develop a regulatory agency to regulate mixed martial arts. He believes that this

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legislation would provide an opportunity for economic growth due to increased gate receipts, etc.

Mr. Lueckenhoff stood for questions and Chairman Wilk thanked him. Rep Burroughs next introduced Mr. Richard Herring, Vice President, Governmental Affairs, World Wrestling Entertainment. Rep. Burroughs said that World Wrestling Entertainment is the largest promoter of wrestling in the world. Mr. Herring provided a handout giving an overview of World Wrestling Entertainment and thanked Rep. Burroughs for addressing this issue. He said there is a definite difference between independent entertainment which is not considered to be a sport, but rather intended to be strictly entertainment. He said sell-out crowds have become the catalyst to support an athletic commission or a commissioner. He said television is their catalyst, and when television promoters are looking for a location, they go where it is advantageous to promote. Kansas naturally loses because of logistics, but Kansas needs to minimize its loss. He said most states have an athletic tax and have eliminated their sales tax. He said the bill as it is now written does not address this issue, but adds on 5% up to 20% as an athletic tax. He stated that they do not support this concept and that the bill must be drafted to pay only one tax. Promoters would never pay both these taxes. His final point addressed Pay for View TV tax. He said most states do not charge this. He said they support the creation of a boxing commission and would have no trouble with paying a licensing fee, but do not like the tax structure as it is currently written in the bill. ([Attachment 2](#))

Chairman Wilk thanked Mr. Herring, and then Rep. Burroughs introduced Mr. Damon Reed, Professional Boxer/Promoter. Mr. Reed provided no written testimony and said that he did not support a five member commission. He said other states do not want to come to Kansas and be liable for the shows in Kansas. He mentioned he was speaking about the old bill and that the new bill has had most of his concerns addressed.

Chairman Wilk thanked Mr. Reed, and Rep. Burroughs introduced Mr. George Clark, Boxing Promoter and Fire Fighter, who provided no written testimony, but said he was here today to support and protect participants and people involved with this sport. He stated that at the present time there is currently no safety precautions and he wants the people he cares for protected. Following Mr. Clark's testimony, Rep. Burroughs said that George Clark is modest because he is one individual who encourages all and that he really knows the business.

Chairman Wilk thanked Mr. Clark, and Rep. Burroughs introduced Sumya Anani, 4 time World Champion. She stood for recognition, but did not testify. Rep. Burroughs then introduced Ms. Franchesca Alcanter, Professional Boxer. Ms. Alcanter said that Kansas has been deprived of having recognition. She stressed the importance of working with kids who are our future. She said she was very involved with the Police Athletic League (PAL), and she hopes this legislation passes so she can fight in her home town. Her testimony was an outline of her concerns. ([Attachment 3](#))

Chairman Wilk thanked Ms. Alcanter, and said that he was sorry that he had an appointment and it was necessary for him to leave the meeting. He asked Vice Chair Lana Gordon to take over the meeting.

Representative Burroughs introduced Mr. Carlos Pacheco, Hispanic Chamber of Commerce, International Association of Fire Fighters Human Relations Board, who spoke as a proponent. He stressed that it was a way to help kids stay out of trouble because they were busy learning the sport. He mentioned that lots of Hispanic kids want to be involved in fighting. He added that there are 45 commissioners in 45 states, and Kansas is not one of them. No written testimony was provided.

Vice Chair Gordon thanked Mr. Pacheco and asked Rep. Burroughs to introduce the next conferee. Rep. Burroughs welcomed Mr. Greg Gorrell, Wichita Retired Prize Fighter, who spoke as a proponent. Mr. Gorrell said there had been no fight in Wichita since 2001, and that it is difficult to get neighboring states to provide a commissioner. He said actually Colorado was the only adjourning state that allows its commissioner to leave the state. No written testimony was provided.

Vice Chair Gordon asked Rep. Burroughs to introduce the next conferee. Rep. Burroughs welcomed Mr. William K. Rork, Attorney at Law, who testified as a proponent of **HB 2713**. Mr. Rork said that he has been associated with boxing since 1971 in various capacities such as judging, announcing, organizing, and phases of Golden Gloves Boxing. For the last ten years he has been involved as a judge. He said it was necessary to have a Boxing Commissioner in Kansas so the state will not lose events to other states. His testimony included a suggestion for a candidate for the first boxing commissioner. ([Attachment 4](#))

Representative Burroughs called the committee's attention to the following written only testimony:

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Representative Bonnie Sharp  
Mark Ratner, Las Vegas, Nevada  
John Brown, CEO Ringside, Inc. And Chairman Missouri Valley USA Boxing  
Peter Howes, General Manager, Howes Entertainment, San Francisco, California  
Tony Holden, President, Holden Productions, Tulsa, Oklahoma  
Don Meyers, Bradenton, Florida (Attachments 5)

Vice Chair Gordon thanked Rep. Burroughs and all the conferees. She welcomed Mr. H.R. Cook, General Manager of the Kansas Expocentre, Topeka, Kansas, who spoke as an opponent of **HB 2713**. Mr. Cook mentioned the following concerns with **HB 2713**:

- Would limit ability of present local promoters to successfully promote events, as the bill requires a percentage of the gross receipts and concession revenue
- The revenues generated by a percentage of the gate receipts would not pay for a full time Commissioner
- Bundling Professional Wrestling into the bill will not increase the revenue generated by the boxing commission, but will drive entities such as World Wrestling Entertainment (WWE) to other states that do not require a commission, license or surrender of 25% of broadcast rights for performances
- Difficult time competing with casinos and densely populated cities in neighboring states with larger facilities (Attachment 6)

He concluded by saying that he was not opposed to a Commissioner, but was opposed to the way the revenues are paid right now.

Vice Chair Gordon thanked Mr. Cook, and said since there were not additional conferees, the Public Hearing on **HB 2713** was closed.

Representative Hill made a motion to approve the minutes of the February 10, 2004 meeting, and Rep. Brunk seconded. Motion passed.

The meeting adjourned at 5:17 p.m.

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