

HOUSE BILL NO. 691

INTRODUCED BY BRAND, PAVLOVICH, WILLIAMS, QUILICI,
HARRINGTON, D. BROWN, IVERSON, MENAHAN, DAILY,
NISBET, DRISCOLL, DOZIER, J. JENSEN

IN THE HOUSE

| | |
|-------------------|---|
| February 8, 1983 | Introduced and referred to Committee on Business and Industry. |
| February 16, 1983 | Committee recommend bill do pass as amended. Report adopted. Statement of Intent attached. |
| February 18, 1983 | Bill printed and placed on members' desks. |
| February 19, 1983 | Second reading, do pass as amended. |
| February 22, 1983 | Correctly engrossed. Third reading, passed. Transmitted to Senate. |

IN THE SENATE

| | |
|----------------|---|
| March 1, 1983 | Introduced and referred to Committee on State Administration. |
| March 12, 1983 | Committee recommend bill be concurrred in as amended. Report adopted. |
| March 15, 1983 | Second reading, concurrred in. |
| March 17, 1983 | Third reading, concurrred in. Ayes, 32; Noes, 15. |

IN THE HOUSE

March 17, 1983

Returned to House with
amendments.

March 31, 1983

Second reading, amendments
concurred in.

April 1, 1983

Third reading, amendments
concurred in.

Sent to enrolling.

Reported correctly enrolled.

1 *J. Jensen* *House* BILL NO. *691*
 2 INTRODUCED BY *David Gabriel Williams*
 3 *Hammy* *Don Brown* *John Menahan* *Wally Nisbet*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CREATE A BOARD OF *DOZ*
 5 ATHLETICS RESPONSIBLE FOR PROTECTING THE PUBLIC FROM FRAUD
 6 IN BOXING AND WRESTLING EVENTS AND FOR ISSUING LICENSES TO
 7 PROMOTERS, REFEREES, AND OTHERS INVOLVED WITH THOSE EVENTS."
 8
 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 10 Section 1. Board of athletics. (1) There is a board of
 11 athletics.
 12 (2) The board consists of three members appointed by
 13 the governor with the consent of the senate.
 14 (3) Each member shall serve for a term of 3 years.
 15 (4) The board is allocated to the department of
 16 commerce for administrative purposes only as prescribed in
 17 2-15-121.
 18 Section 2. Definitions. Unless the context requires
 19 otherwise, in [sections 2 through 11], the following
 20 definitions apply:
 21 (1) "Board" means the board of athletics provided for
 22 in [section 1].
 23 (2) "Department" means the department of commerce
 24 provided for in Title 2, chapter 15, part 18.
 25 Section 3. Board organization -- compensation. (1)

1 Before April 1 of each year the board shall elect one of its
 2 number chairman and may elect such officers as it considers
 3 necessary. Two of the members of the board constitute a
 4 quorum to do business, and the concurrence of at least two
 5 members is necessary to take board action.

6 (2) The members of the board are entitled to
 7 compensation and expenses as provided in 37-1-133.

8 Section 4. Board jurisdiction -- license required --
 9 contestant participation. (1) The board has sole management,
 10 control, and jurisdiction over each professional wrestling
 11 or boxing or amateur boxing match or exhibition involving a
 12 prize or purse or at which an admission fee is charged,
 13 either directly or indirectly, in the form of dues or
 14 otherwise, to be held within the state, except a match or
 15 exhibition conducted;

16 (a) by a university, college, or high school;

17 (b) by the military; or

18 (c) for contestants under 16 years of age, by a
 19 recognized amateur association.

20 (2) No organization or individual may conduct a match
 21 or exhibition within the board's jurisdiction unless it or
 22 he is the holder of an appropriate license granted by the
 23 board.

24 (3) No referee, manager, or judge may participate in a
 25 match or exhibition within the board's jurisdiction unless

1 he is licensed by the board and the match or exhibition is
2 conducted by an organization or individual licensed by the
3 board.

4 (4) No professional boxer or wrestler or amateur boxer
5 may participate in a match or exhibition within the board's
6 jurisdiction unless the match or exhibition is conducted by
7 an organization or individual licensed by the board, and his
8 right to participate has not been suspended under [section
9 10].

10 Section 5. Rules. (1) The board may adopt rules for
11 the administration and enforcement of [sections 2 through
12 11].

13 (2) The rules must include but are not limited to the
14 following:

15 (a) the granting, renewal, suspension, and revocation
16 of licenses and the qualification requirements for those to
17 be licensed to conduct matches or exhibitions or to be
18 licensed as referees, managers, or judges. Such
19 qualifications must include appropriate knowledge,
20 experience, and integrity.

21 (b) the labeling of a match as a championship match;

22 (c) the number and length of rounds and the weight of
23 gloves;

24 (d) the extent and timing of the physical examination
25 of contestants; and

1 (e) the attendance of a referee and his powers and
2 duties.

3 Section 6. Licenses -- fees. (1) The board may issue
4 an annual license for conducting amateur boxing matches or
5 exhibitions to a nonprofit organization that has been
6 located and established in this state for a period of 1 year
7 before the license is issued.

8 (2) The board may issue an annual license to a
9 professional boxing or wrestling promoter, whether an
10 individual or organization, for the sole purpose of
11 conducting professional matches or exhibitions.

12 (3) The board may issue annual licenses to qualified
13 referees, managers, and judges.

14 (4) Each application for an original license under
15 this section or renewal of a license must be accompanied by
16 a fee set by the board, commensurate with costs related to
17 the particular license as provided in 37-1-134.

18 Section 7. Bond -- conditions. (1) No license to
19 conduct amateur or professional matches or exhibitions may
20 be issued unless the licensee has executed a bond in the sum
21 of not less than \$1,000 in the case of amateur boxing or not
22 less than \$5,000 in the case of professional wrestling or
23 boxing.

24 (2) The bond must be conditioned on faithful
25 compliance by the licensee with the provisions of [sections

1 2 through 11] and the rules of the board.

2 Section 8. Report of ticket sales -- tax on gross
3 receipts -- disposition of money received. (1) An individual
4 or organization licensed to conduct a boxing or wrestling
5 match or exhibition must, within 24 hours after the
6 completion of each match or exhibition, furnish to the
7 department a written report, verified by one of its officers
8 or owners, showing the number of tickets sold for the match
9 or exhibition, the amount of gross proceeds, and other
10 matters as the board prescribes and must also within 24
11 hours pay to the department a tax of 5% of its total gross
12 receipts, after deducting the federal admission tax, if any,
13 from the sale of tickets.

14 (2) All taxes and fees collected by the department or
15 the board under [sections 2 through 11] must be deposited in
16 the earmarked revenue fund for the use of the board, subject
17 to 37-1-101(6).

18 Section 9. Examination of books and records on failure
19 to make report or on unsatisfactory report -- penalty for
20 failure to pay tax. (1) If an individual or organization
21 fails to make a report of a contest at the time prescribed
22 by [sections 2 through 11] or if the report is
23 unsatisfactory to the board, the board may examine the books
24 and records of the individual or organization and subpoena
25 and examine witnesses under oath for the purpose of

1 determining the total amount of its gross receipts for a
2 contest and the amount of tax due under [sections 2 through
3 11].

4 (2) If the individual or organization remains in
5 default in the payment of tax ascertained to be due for a
6 period of 20 days after notice to such delinquent of the
7 amount due, the delinquent forfeits its license and is
8 disqualified from receiving a new license.

9 Section 10. Discipline. (1) A license issued under the
10 provisions of [sections 2 through 11] may, after notice and
11 opportunity for hearing, be revoked or suspended by the
12 board for a violation of the provisions of [sections 2
13 through 11] or any rule of the board.

14 (2) The board may, after notice and opportunity for
15 hearing, reprimand any amateur or professional athlete or
16 suspend, for a period not to exceed 1 year, his right to
17 participate in any match or exhibition conducted by any
18 licensee for:

19 (a) unsportsmanlike conduct while engaged in or
20 arising directly from any match or exhibition;

21 (b) failure to compete in good faith or engaging in
22 any sham match or exhibition; or

23 (c) the use of threatening or abusive language toward
24 officials or spectators.

25 Section 11. Violation as misdemeanor. A person who

1 violates a provision of [sections 2 through 11] is guilty of
2 a misdemeanor and upon conviction is punishable as provided
3 in 46-18-212.

-End-

STATE OF MONTANA

REQUEST NO. 368-83

FISCAL NOTE

Form BD-15

In compliance with a written request received February 10,, 19 83, there is hereby submitted a Fiscal Note for House Bill 691 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 691 creates a Board of Athletics responsible for protecting the public from fraud in boxing and wrestling events and for issuing licenses to promoters, referees, and others involved with those events.

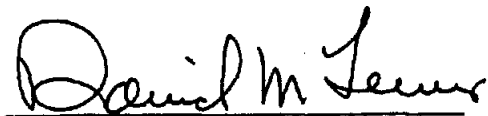
ASSUMPTIONS:

- 1) Assume minimum of two board meetings per year.
- 2) Assume 4 professional boxing and 20 professional wrestling and 6 amateur boxing exhibitions per year.
- 3) Assume .12 FTE staff employee.
- 4) Revenue is generated from a 5% gross proceeds tax and license fees.
- 5) License fees can be raised to cover expenditures.

FISCAL IMPACT:

| | <u>FY84</u> | <u>FY85</u> |
|-------------------|-------------|-------------|
| Est. Expenditures | \$ 8,598 | \$ 9,084 |

FISCAL NOTE 13:H/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-15-83

1 STATEMENT OF INTENT

2 HOUSE BILL 691

3 House Business and Industry Committee

4

5 A statement of intent is required for this bill because
6 it grants rulemaking authority to the Board of Athletics.
7 Qualifications for licensure to conduct boxing or wrestling
8 events or to act as a referee, manager, or judge should be
9 based primarily on particular knowledge required for the
10 particular license and the integrity of the applicant, as
11 indicated by past activities. To this end, the rules should
12 address means of determining knowledge and integrity, such
13 as affidavits or references evidencing experience and good
14 reputation in the particular field.

15 The Board should also look to the regulations
16 established by the World Boxing Association for guidance.

17 The intention of the legislature is that the Board may
18 not meet within 48 hours of any wrestling or boxing match or
19 exhibition over which it has jurisdiction.

SECOND READING

HB 691

Approved by Committee
on Business and Industry

HOUSE BILL NO. 691

INTRODUCED BY BRAND, PAVLOVICH, WILLIAMS, QUILICI,

HARRINGTON, D. BROWN, IVERSON, MENAHAN, DAILY,

NISBET, DRISCOLL, DOZIER, J. JENSEN

A BILL FOR AN ACT ENTITLED: "AN ACT TO CREATE A BOARD OF
ATHLETICS RESPONSIBLE FOR PROTECTING THE PUBLIC FROM FRAUD
IN BOXING AND WRESTLING EVENTS AND FOR ISSUING LICENSES TO
PROMOTERS, REFEREES, AND OTHERS INVOLVED WITH THOSE EVENTS."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Board of athletics. (1) There is a board of
athletics.

(2) The board consists of three members appointed by
the governor with the consent of the senate.

(3) Each member shall serve for a term of 3 years.

(4) The board is allocated to the department of
commerce for administrative purposes only as prescribed in
2-15-121.

Section 2. Definitions. Unless the context requires
otherwise, in [sections 2 through ~~11~~ 13], the following
definitions apply:

(1) "Board" means the board of athletics provided for
in [section 1].

(2) "Department" means the department of commerce

provided for in Title 2, chapter 15, part 18.

Section 3. Board organization -- compensation --
~~MEETINGS----~~DEPARTMENT TO KEEP RECORDS. (1) Before April 1
of each year the board shall ~~MEET TO~~ elect one of its number
chairman and may elect such officers as it considers
necessary. Two of the members of the board constitute a
quorum to do business, and, ~~EXCEPT AS PROVIDED IN [SECTION~~
~~6],~~ the concurrence of at least two members is necessary to
take board action.

(2) The members of the board are entitled to
compensation and expenses as provided in 37-1-133.

~~(3) THE DEPARTMENT SHALL KEEP A RECORD OF THE BOARD'S
PROCEEDINGS WHICH ARE PUBLIC RECORDS SUBJECT TO PUBLIC
INSPECTION.~~

~~THERE IS A NEW MCA SECTION THAT READS:~~

Section 4. Enforcement of rules by board member --
board designees. (1) In absence of a quorum of the board,
any board member in attendance at and supervising a contest
or exhibition has the full power of the board in enforcing
rules of the board.

(2) The board may designate in writing representatives
to act specifically on behalf of the board but only within
the scope of the written authority.

~~THERE IS A NEW MCA SECTION THAT READS:~~

Section 5. Board member conflict of interest. No board

1 member may:

2 (1) serve as a manager, promoter, or trainer of a
3 professional or semi-professional boxer or wrestler or an
4 amateur boxer;

5 (2) have a financial interest or affiliation in a
6 professional or semi-professional boxing or wrestling match
7 or an amateur boxing match;

8 (3) serve as ring official, timer, referee, or judge
9 at a professional or semi-professional boxing or wrestling
10 match or an amateur boxing match; or

11 (4) participate in a professional or semi-professional
12 boxing or wrestling match or an amateur boxing match.

13 Section 6. Board jurisdiction -- license required --
14 contestant participation. (1) The board has sole management,
15 control, and jurisdiction over each professional ~~OR~~
16 ~~SEMI-PROFESSIONAL~~ wrestling or boxing or amateur boxing
17 match or exhibition involving a prize or purse ~~or AND~~ at
18 which an admission fee is charged, either directly or
19 indirectly, in the form of dues or otherwise, to be held
20 within the state, except a match or exhibition conducted;

21 (a) by a university, college, or high school;

22 (b) by the military; or

23 (c) for contestants under 16 years of age, by a
24 recognized amateur association.

25 (2) No organization or individual may conduct a match

1 or exhibition within the board's jurisdiction unless it or
2 he is the holder of an appropriate license granted by the
3 board.

4 (3) No referee, manager, or judge may participate in a
5 match or exhibition within the board's jurisdiction unless
6 he is licensed by the board and the match or exhibition is
7 conducted by an organization or individual licensed by the
8 board.

9 (4) No professional ~~OR SEMI-PROFESSIONAL~~ boxer or
10 wrestler or amateur boxer may participate in a match or
11 exhibition within the board's jurisdiction unless ~~HE IS~~
12 ~~LICENSED BY THE BOARD AND~~ the match or exhibition is
13 conducted by an organization or individual licensed by the
14 board, and his right to participate has not been suspended
15 under [section 10 12].

16 Section 7. Rules. (1) The board may adopt rules for
17 the administration and enforcement of [sections 2 through 11
18 13].

19 (2) The rules must include but are not limited to the
20 following:

21 (a) the granting, renewal, suspension, and revocation
22 of licenses and the qualification requirements for those to
23 be licensed to conduct matches or exhibitions or to be
24 licensed as referees, managers, or judges. Such
25 qualifications must include appropriate knowledge,

experience, and integrity.

(b) the labeling of a match as a championship match;

(c) the number and length of rounds and the weight of gloves;

(d) the extent and timing of the physical examination of contestants; and

(e) the attendance of a referee and his powers and duties.

~~131. THE RULES SHALL MEET OR EXCEED THE SAFETY CODES REQUIRED BY RECOGNIZED PROFESSIONAL BOXING AND WRESTLING ORGANIZATIONS AND PROVIDE REASONABLE MEASURES FOR THE FAIR CONDUCT OF THE MATCHES OR EXHIBITIONS AND FOR THE PROTECTION OF THE HEALTH AND SAFETY OF THE CONTESTANTS. THE RULES SHALL REQUIRE A PHYSICAL EXAMINATION OF EACH CONTESTANT PRIOR TO EACH MATCH OR EXHIBITION AND THE ATTENDANCE OF A LICENSED PHYSICIAN AT RINGSIDE AND SHALL PROVIDE FOR THE QUALIFICATIONS OF JUDGES, REFEREES, AND SECONDS AND FOR THE PAYMENT OF SUCH OFFICIALS BY THE PROMOTER.~~

Section 8. Licenses -- fees. (1) The board may issue an annual license for conducting amateur boxing matches or exhibitions to a nonprofit organization that has been located and established in this state for a period of 1 year before the license is issued.

(2) The board may issue an annual license to a professional ~~OR SEMI-PROFESSIONAL~~ boxing or wrestling

promoter, whether an individual or organization, for the sole purpose of conducting professional ~~OR SEMI-PROFESSIONAL~~ matches or exhibitions.

(3) The board may issue annual licenses to qualified referees, managers, ~~BOXERS, WRESTLERS, SECONDS, TRAINERS,~~ and judges.

(4) Each application for an original license under this section or renewal of a license must be accompanied by a fee set by the board, commensurate with costs related to the particular license as provided in 37-1-134.

Section 9. Bond -- conditions. (1) No license to conduct amateur, or professional, ~~OR SEMI-PROFESSIONAL~~ matches or exhibitions may be issued unless the licensee has executed a bond in the sum of not less than \$1,000 in the case of amateur boxing or not less than \$5,000 in the case of professional ~~OR SEMI-PROFESSIONAL~~ wrestling or boxing.

(2) The bond must be conditioned on faithful compliance by the licensee with the provisions of [sections 2 through ~~11~~ 13] and the rules of the board.

Section 10. Report of ticket sales -- tax on gross receipts -- disposition of money received. (1) An individual or organization licensed to conduct a boxing or wrestling match or exhibition must, within 24 hours after the completion of each match or exhibition, furnish to the department a written report, verified by one of its officers

1 or owners, showing the number of tickets sold for the match
2 or exhibition, the amount of gross proceeds, and other
3 matters as the board prescribes and must also within 24
4 hours pay to the department a tax of 5% of its total gross
5 receipts, after deducting the federal admission tax, if any,
6 from the sale of tickets.

7 (2) All taxes and fees collected by the department or
8 the board under [sections 2 through ~~11~~ 12] must be deposited
9 in the earmarked revenue fund for the use of the board,
10 subject to 37-1-101(6).

11 Section 11. Examination of books and records on
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16 unsatisfactory to the board, the board may examine the books
17 and records of the individual or organization and subpoena
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19 determining the total amount of its gross receipts for a
20 contest and the amount of tax due under [sections 2 through
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23 default in the payment of tax ascertained to be due for a
24 period of 20 days after notice to such delinquent of the
25 amount due, the delinquent forfeits its license and is

1 disqualified from receiving a new license.

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3 provisions of [sections 2 through ~~11~~ 12] may, after notice
4 and opportunity for hearing, be revoked or suspended by the
5 board for a violation of the provisions of [sections 2
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7 (2) The board may, after notice and opportunity for
8 hearing, reprimand any amateur, or professional, ~~OR~~
9 ~~SEMI-PROFESSIONAL~~ athlete or suspend, for a period not to
10 exceed 1 year, his right to participate in any match or
11 exhibition conducted by any licensee for:

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15 any sham match or exhibition; or

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17 officials or spectators.

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19 violates a provision of [sections 2 through ~~11~~ 12] is guilty
20 of a misdemeanor and upon conviction is punishable as
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2 (1) serve as a manager, promoter, or trainer of a
3 professional or semi-professional ~~SEMIPROFESSIONAL~~ boxer or
4 wrestler or an amateur boxer;

5 (2) have a financial interest or affiliation in a
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7 wrestling match or an amateur boxing match;

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4 (b) the labeling of a match as a championship match;

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6 gloves;

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8 of contestants; and

9 (e) the attendance of a referee and his powers and
10 duties.

11 ~~(1) THE RULES SHALL MEET OR EXCEED THE SAFETY CODES~~
12 ~~REQUIRED BY RECOGNIZED PROFESSIONAL BOXING AND WRESTLING~~
13 ~~ORGANIZATIONS AND PROVIDE REASONABLE MEASURES FOR THE FAIR~~
14 ~~CONDUCT OF THE MATCHES OR EXHIBITIONS AND FOR THE PROTECTION~~
15 ~~OF THE HEALTH AND SAFETY OF THE CONTESTANTS. THE RULES SHALL~~
16 ~~REQUIRE A PHYSICAL EXAMINATION OF EACH CONTESTANT PRIOR TO~~
17 ~~EACH MATCH OR EXHIBITION AND THE ATTENDANCE OF A LICENSED~~
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19 ~~QUALIFICATIONS OF JUDGES, REFEREES, AND SECONDS AND FOR THE~~
20 ~~PAYMENT OF SUCH OFFICIALS BY THE PROMOTER.~~

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24 ~~located and established in this state for a period of 1 year~~
25 ~~before the license is issued.~~

1 ~~(2)(1)~~ The board may issue an annual license to a
2 professional ~~OR SEMI-PROFESSIONAL~~ SEMIPROFESSIONAL boxing or
3 wrestling promoter, whether an individual or organization,
4 for the sole purpose of conducting professional ~~OR~~
5 ~~SEMI-PROFESSIONAL~~ SEMIPROFESSIONAL matches or exhibitions.

6 ~~(3)(2)~~ The board may issue annual licenses to
7 qualified referees, managers, ~~BOXERS, WRESTLERS, SECONDS,~~
8 ~~IBAINES,~~ and judges.

9 ~~(4)(3)~~ Each application for an original license under
10 this section or renewal of a license must be accompanied by
11 a fee set by the board, commensurate with costs related to
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13 Section 9. Bond -- conditions. (1) No license to
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16 the licensee has executed a bond in the sum of not less than
17 ~~\$1,000 in the case of amateur boxing or~~ not less than \$5,000
18 ~~in the case of professional OR SEMI-PROFESSIONAL wrestling~~
19 ~~or boxing.~~

20 (2) The bond must be conditioned on faithful
21 compliance by the licensee with the provisions of [sections
22 2 through 11] and the rules of the board.

23 Section 10. Report of ticket sales -- tax on gross
24 receipts -- disposition of money received. (1) An individual
25 or organization licensed to conduct a boxing or wrestling

match or exhibition must, within 24 hours after the completion of each match or exhibition, furnish to the department a written report, verified by one of its officers or owners, showing the number of tickets sold for the match or exhibition, the amount of gross proceeds, and other matters as the board prescribes and must also within 24 hours pay to the department a tax of 5% of its total gross receipts, after deducting the federal admission tax, if any, from the sale of tickets.

(2) All taxes and fees collected by the department or the board under [sections 2 through ~~11~~ 13] must be deposited in the earmarked revenue fund for the use of the board, subject to 37-1-101(6).

Section 11. Examination of books and records on failure to make report or on unsatisfactory report — penalty for failure to pay tax. (1) If an individual or organization fails to make a report of a contest at the time prescribed by [sections 2 through ~~11~~ 13] or if the report is unsatisfactory to the board, the board may examine the books and records of the individual or organization and subpoena and examine witnesses under oath for the purpose of determining the total amount of its gross receipts for a contest and the amount of tax due under [sections 2 through ~~11~~ 13].

(2) If the individual or organization remains in

default in the payment of tax ascertained to be due for a period of 20 days after notice to such delinquent of the amount due, the delinquent forfeits its license and is disqualified from receiving a new license.

Section 12. Discipline. (1) A license issued under the provisions of [sections 2 through ~~11~~ 13] may, after notice and opportunity for hearing, be revoked or suspended by the board for a violation of the provisions of [sections 2 through ~~11~~ 13] or any rule of the board.

(2) The board may, after notice and opportunity for hearing, reprimand any ~~amateur~~ or professional ~~OR~~ ~~SEMI-PROFESSIONAL~~ SEMIPROFESSIONAL athlete or suspend, for a period not to exceed 1 year, his right to participate in any match or exhibition conducted by any licensee for:

(a) unsportsmanlike conduct while engaged in or arising directly from any match or exhibition;

(b) failure to compete in good faith or engaging in any sham match or exhibition; or

(c) the use of threatening or abusive language toward officials or spectators.

Section 13. Violation as misdemeanor. A person who violates a provision of [sections 2 through ~~11~~ 13] is guilty of a misdemeanor and upon conviction is punishable as provided in 46-18-212.

-End-

March 12, 1983

SENATE STANDING COMMITTEE REPORT
(State Administration)

That House Bill No. 691 be amended as follows:

1. Title, line 9.
Following: "EVENTS"
Insert: "; REPEALING SECTION 7-21-4212, MCA; AND PROVIDING
AN IMMEDIATE EFFECTIVE DATE"
2. Page 1, line 16.
Following: "years"
Insert: "and no member shall serve for more than 4
consecutive terms"
3. Page 8.
Following: line 24
Insert: "Section 14. Repealer. Section 7-21-4212, MCA, is
repealed.
Section 15. Effective date. This act is effective
on passage and approval."

1 STATEMENT OF INTENT

2 HOUSE BILL 691

3 House Business and Industry Committee

4

5 A statement of intent is required for this bill because
6 it grants rulemaking authority to the Board of Athletics.
7 Qualifications for licensure to conduct boxing or wrestling
8 events or to act as a referee, manager, or judge should be
9 based primarily on particular knowledge required for the
10 particular license and the integrity of the applicant, as
11 indicated by past activities. To this end, the rules should
12 address means of determining knowledge and integrity, such
13 as affidavits or references evidencing experience and good
14 reputation in the particular field.

15 The Board should also look to the regulations
16 established by the World Boxing Association for guidance.

17 The intention of the legislature is that the Board may
18 not meet within 48 hours of any wrestling or boxing match or
19 exhibition over which it has jurisdiction.

REFERENCE BILL

HB 691

HOUSE BILL NO. 691

INTRODUCED BY BRAND, PAVLOVICH, WILLIAMS, QUILICI,

HARRINGTON, D. BROWN, IVERSON, MENAHAN, DAILY,

NISBET, DRISCOLL, DOZIER, J. JENSEN

A BILL FOR AN ACT ENTITLED: "AN ACT TO CREATE A BOARD OF ATHLETICS RESPONSIBLE FOR PROTECTING THE PUBLIC FROM FRAUD IN BOXING AND WRESTLING EVENTS AND FOR ISSUING LICENSES TO PROMOTERS, REFEREES, AND OTHERS INVOLVED WITH THOSE EVENTS; REPEALING SECTION 7-21-4212, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Board of athletics. (1) There is a board of athletics.

(2) The board consists of three members appointed by the governor with the consent of the senate.

(3) Each member shall serve for a term of 3 years, AND NO MEMBER SHALL SERVE FOR MORE THAN 4 CONSECUTIVE TERMS.

(4) The board is allocated to the department of commerce for administrative purposes only as prescribed in 2-15-121.

Section 2. Definitions. Unless the context requires otherwise, in [sections 2 through 13], the following definitions apply:

(1) "Board" means the board of athletics provided for in [section 1].

(2) "Department" means the department of commerce provided for in Title 2, chapter 15, part 18.

Section 3. Board organization -- compensation == MEETINGS == DEPARTMENT TO KEEP RECORDS. (1) Before April 1 of each year the board shall MEET TO elect one of its number chairman and may elect such officers as it considers necessary. Two of the members of the board constitute a quorum to do business, and, EXCEPT AS PROVIDED IN [SECTION 6], the concurrence of at least two members is necessary to take board action.

(2) The members of the board are entitled to compensation and expenses as provided in 37-1-133.

~~(3) THE DEPARTMENT SHALL KEEP A RECORD OF THE BOARD'S PROCEEDINGS, WHICH ARE PUBLIC RECORDS SUBJECT TO PUBLIC INSPECTION.~~

~~THERE IS A NEW MCA SECTION THAT READS:~~

Section 4. Enforcement of rules by board member -- board designees. (1) In absence of a quorum of the board, any board member in attendance at and supervising a contest or exhibition has the full power of the board in enforcing rules of the board.

(2) The board may designate in writing representatives to act specifically on behalf of the board but only within

the scope of the written authority.

~~THERE IS A NEW MCA SECTION THAT READS:~~

Section 5. Board member conflict of interest. No board member may:

(1) serve as a manager, promoter, or trainer of a professional or ~~semi-professional~~ SEMIPROFESSIONAL boxer or wrestler or an amateur boxer;

(2) have a financial interest or affiliation in a professional or ~~semi-professional~~ SEMIPROFESSIONAL boxing or wrestling match or an amateur boxing match;

(3) serve as ring official, timer, referee, or judge at a professional or ~~semi-professional~~ SEMIPROFESSIONAL boxing or wrestling match or an amateur boxing match; or

(4) participate in a professional or ~~semi-professional~~ SEMIPROFESSIONAL boxing or wrestling match or an amateur boxing match.

Section 6. Board jurisdiction -- license required -- contestant participation. (1) The board has sole management, control, and jurisdiction over each professional ~~OR SEMI-PROFESSIONAL~~ SEMIPROFESSIONAL wrestling or boxing or ~~amateur-boxing~~ match or exhibition involving a prize or purse ~~OR~~ AND at which an admission fee is charged, either directly or indirectly, in the form of dues or otherwise, to be held within the state, except a match or exhibition conducted;

(a) by a university, college, or high school;

(b) by the military; or

(c) for contestants under 16 years of age, by a recognized amateur association.

(2) No organization or individual may conduct a match or exhibition within the board's jurisdiction unless it or he is the holder of an appropriate license granted by the board.

(3) No referee, manager, or judge may participate in a match or exhibition within the board's jurisdiction unless he is licensed by the board and the match or exhibition is conducted by an organization or individual licensed by the board.

(4) No professional ~~OR SEMI-PROFESSIONAL~~ SEMIPROFESSIONAL boxer or wrestler ~~or--amateur-boxer~~ may participate in a match or exhibition within the board's jurisdiction unless ~~HE IS LICENSED BY THE BOARD AND~~ the match or exhibition is conducted by an organization or individual licensed by the board, and his right to participate has not been suspended under [section ~~to~~ 12].

Section 7. Rules. (1) The board may adopt rules for the administration and enforcement of [sections 2 through ~~to~~ 13].

(2) The rules must include but are not limited to the following:

(a) the granting, renewal, suspension, and revocation of licenses and the qualification requirements for those to be licensed to conduct matches or exhibitions or to be licensed as referees, managers, or judges. Such qualifications must include appropriate knowledge, experience, and integrity.

(b) the labeling of a match as a championship match;

(c) the number and length of rounds and the weight of gloves;

(d) the extent and timing of the physical examination of contestants; and

(e) the attendance of a referee and his powers and duties.

(13) THE RULES SHALL MEET OR EXCEED THE SAFETY CODES REQUIRED BY RECOGNIZED PROFESSIONAL BOXING AND WRESTLING ORGANIZATIONS AND PROVIDE REASONABLE MEASURES FOR THE FAIR CONDUCT OF THE MATCHES OR EXHIBITIONS AND FOR THE PROTECTION OF THE HEALTH AND SAFETY OF THE CONTESTANTS. THE RULES SHALL REQUIRE A PHYSICAL EXAMINATION OF EACH CONTESTANT PRIOR TO EACH MATCH OR EXHIBITION AND THE ATTENDANCE OF A LICENSED PHYSICIAN AT RINGSIDE AND SHALL PROVIDE FOR THE QUALIFICATIONS OF JUDGES, REFEREES, AND SECUNDS AND FOR THE PAYMENT OF SUCH OFFICIALS BY THE PROMOTER.

Section 8. Licenses -- fees. ~~(1) The board may issue an annual license for conducting amateur boxing matches or~~

~~exhibitions to a nonprofit organization that has been located and established in this state for a period of 1 year before the license is issued.~~

~~(11) The board may issue an annual license to a professional OR SEMI-PROFESSIONAL SEMIPROFESSIONAL boxing or wrestling promoter, whether an individual or organization, for the sole purpose of conducting professional OR SEMI-PROFESSIONAL SEMIPROFESSIONAL matches or exhibitions.~~

~~(12) The board may issue annual licenses to qualified referees, managers, BOXERS, WRESTLERS, SECUNDS, TRAINERS, and judges.~~

~~(13) Each application for an original license under this section or renewal of a license must be accompanied by a fee set by the board, commensurate with costs related to the particular license as provided in 37-1-134.~~

Section 9. Bond -- conditions. (1) No license to conduct amateur or professional OR SEMI-PROFESSIONAL SEMIPROFESSIONAL matches or exhibitions may be issued unless the licensee has executed a bond in the sum of not less than \$1,000 in the case of amateur boxing or not less than \$5,000 in the case of professional OR SEMI-PROFESSIONAL wrestling or boxing.

(2) The bond must be conditioned on faithful compliance by the licensee with the provisions of [sections 2 through 11 13] and the rules of the board.

1 Section 10. Report of ticket sales -- tax on gross
2 receipts -- disposition of money received. (1) An individual
3 or organization licensed to conduct a boxing or wrestling
4 match or exhibition must, within 24 hours after the
5 completion of each match or exhibition, furnish to the
6 department a written report, verified by one of its officers
7 or owners, showing the number of tickets sold for the match
8 or exhibition, the amount of gross proceeds, and other
9 matters as the board prescribes and must also within 24
10 hours pay to the department a tax of 5% of its total gross
11 receipts, after deducting the federal admission tax, if any,
12 from the sale of tickets.

13 (2) All taxes and fees collected by the department or
14 the board under [sections 2 through ~~11~~ 13] must be deposited
15 in the earmarked revenue fund for the use of the board,
16 subject to 37-1-101(6).

17 Section 11. Examination of books and records on
18 failure to make report or on unsatisfactory report --
19 penalty for failure to pay tax. (1) If an individual or
20 organization fails to make a report of a contest at the time
21 prescribed by [sections 2 through ~~11~~ 13] or if the report is
22 unsatisfactory to the board, the board may examine the books
23 and records of the individual or organization and subpoena
24 and examine witnesses under oath for the purpose of
25 determining the total amount of its gross receipts for a

1 contest and the amount of tax due under [sections 2 through
2 ~~11~~ 13].

3 (2) If the individual or organization remains in
4 default in the payment of tax ascertained to be due for a
5 period of 20 days after notice to such delinquent of the
6 amount due, the delinquent forfeits its license and is
7 disqualified from receiving a new license.

8 Section 12. Discipline. (1) A license issued under the
9 provisions of [sections 2 through ~~11~~ 13] may, after notice
10 and opportunity for hearing, be revoked or suspended by the
11 board for a violation of the provisions of [sections 2
12 through ~~11~~ 13] or any rule of the board.

13 (2) The board may, after notice and opportunity for
14 hearing, reprimand any amateur or professional or
15 ~~SEMI-PROFESSIONAL~~ ~~SEMI-PROFESSIONAL~~ athlete or suspend, for a
16 period not to exceed 1 year, his right to participate in any
17 match or exhibition conducted by any licensee for:

18 (a) unsportsmanlike conduct while engaged in or
19 arising directly from any match or exhibition;

20 (b) failure to compete in good faith or engaging in
21 any sham match or exhibition; or

22 (c) the use of threatening or abusive language toward
23 officials or spectators.

24 Section 13. Violation as misdemeanor. A person who
25 violates a provision of [sections 2 through ~~11~~ 13] is guilty

1 of a misdemeanor and upon conviction is punishable as
2 provided in 46-18-212.

3 ~~SECTION 14. REPEALER. SECTION 7-21-4212, MCA, IS~~
4 ~~REPEALED.~~

5 ~~SECTION 15. EFFECTIVE DATE. THIS ACT IS EFFECTIVE ON~~
6 ~~PASSAGE AND APPROVAL.~~

-End-