GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

H HOUSE BILL 1340

Short Title: Reestablish Boxing Commission. (Public)

Sponsors: Representative Faison.

Referred to: Finance.

4

5

6 7

8

9 10

11

1213

14

15 16

17

18

19 20

21

22

23

2425

26

27

April 21, 2005

A BILL TO BE ENTITLED
AN ACT TO REESTABLISH THE NORTH CAROLINA STATE BOXING COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. The regulation of boxing under the authority of the Alcohol Law Enforcement Division of the Department of Crime Control and Public Safety is transferred to the North Carolina State Boxing Commission reestablished pursuant to Article 68A of Chapter 143 of the General Statutes, as enacted in Section 3 of this act, within the Department of Commerce, Division of Tourism, Film, and Sports Development by a Type II transfer, as defined by G.S. 143A-6(b).

SECTION 2. Article 68 of Chapter 143 of the General Statutes is repealed. **SECTION 3.** Chapter 143 of the General Statutes is amended by adding the

following new Article to read:

"Article 68A.

"North Carolina State Boxing Commission.

"§ 143-659.1. Legislative findings and declarations.

The General Assembly finds and declares to be the public policy of this State that it is in the best interest of the public and of boxing that boxing should be subject to an effective and efficient system of strict control and regulation in order to:

- (1) Protect the safety and well-being of participants in boxing; and
- (2) Promote the public confidence and trust in the regulatory process and the conduct of boxing.

To further the public confidence and trust, the provisions of this Article are designed to regulate all persons, practices, and associations related to the operation of any live boxing event, performance, or contest held in North Carolina.

"<u>§ 143-659.2. Definitions.</u>

The following definitions apply in this Article:

(1) Amateur. – A person who is not receiving or competing for and has 1 2 never received or competed for any purse or other article or thing of 3 value for participating in a match. Announcer. – Any person who engages in the act of announcing a 4 **(2)** 5 boxing match. 6 Boxer. – Any person who engages as a participant in a boxing match. (3) 7 Boxing match. – A match where the participants engage in the use of (4) 8 full contact boxing techniques (using the fist only), and where the 9 object of a match is to win by decision, knockout (KO), or technical 10 knockout (TKO). Commission. – The North Carolina State Boxing Commission. 11 (5) 12 Contest. – A boxing match in which the participants strive earnestly to (6) 13 win. 14 (7) Contestant. – Any person who engages as a participant in a boxing 15 16 (8) Division. – The Division of Tourism, Film, and Sports Development 17 of the Department of Commerce. 18 (9) Exhibition. – A boxing match where the participants display their boxing skills and technique without necessarily striving to win. 19 20 Judge. – A person who has a vote in determining the winner of any (10)21 match or contest. Kickboxer. – Any person who engages as a participant in a kickboxing 22 <u>(11)</u> match. 23 24 Kickboxing match. – A match in which the participants engage in full (12)contact martial arts fighting techniques using the hands and the feet, 25 and where the object of the match is to win by decision, knockout 26 27 (KO), or technical knockout (TKO). Licensee. – Any person, club, corporation, organization, or association 28 (13)29 to whom a license has been issued pursuant to the provisions of this Article. 30 31 Manager. – Any person who controls or administers the boxing affairs (14)32 of any contestant, and who: 33 By contract, agreement, or other arrangement with any person undertakes or has undertaken to represent in any way the 34 35 interest of the contestant in any professional boxing contest in which the boxer is to participate as a contestant, and is entitled 36 under that contract, agreement, or arrangement to receive 37 monetary or other compensation for his or her services, without 38 39 regard to the sources of the compensation. The term 'manager' shall not be construed to mean any attorney licensed to practice 40 in this State whose participation in the activities is restricted 41 42 solely to his representing the interests of a professional boxer as

a client.

43

Directs or controls the professional boxing activities of any 1 b. 2 professional boxer. 3 Receives or is entitled to receive a percentage of the gross purse <u>c.</u> or gross income of any professional boxing contest. 4 5 Match. – Any boxing or kickboxing contest or exhibition, and includes (15)6 any event, engagement, sparring or practice session, show or program 7 where the public is admitted and in which there is intended to be physical contact, whether an exhibition or contest. This definition 8 9 does not include training or practice sessions when no admission is 10 charged. Matchmaker. – A person through whom matches are arranged for 11 (16)12 participants and who otherwise assists participants in procuring engagement dates for boxing. 13 14 (17)Natural person. – An individual. 15 (18)Participant. – Any person who engages in a match or exhibition and 16 performs as a boxer. Person. - An individual, group of individuals, business, corporation, 17 (19)18 limited liability company, partnership, or any other individual or 19 collective entity. 20 Physician. – An individual licensed to practice medicine in this State. (20)21 (21) Professional. – Any person who is licensed as a professional boxer under the federal Professional Boxing Safety Act of 1996. 22 Promoter. – Any person who produces, arranges, stages, holds, or 23 (22)24 gives any match in North Carolina involving a professional participant. Referee. – The official who shall enter and remain in the ring for the 25 (23)duration of a match and shall enforce the rules and maintain order in 26 27 the ring. 28 (24)Ring official. – Any person who performs an official function for the 29 duration of a match. 30 Sanctioned amateur. – A person who competes in a sanctioned amateur (25)31 match. 32 Sanctioned amateur match. – Any boxing or kickboxing match (26)regulated by an amateur sports organization that has been recognized 33 and approved by the North Carolina Boxing Commission. 34 35 Second. – Any person who will work or be present in the corner of a (27)participant for the duration of a match. 36 Timekeeper. – Any person who will operate the clock or watch for the 37 (28)duration of a match for the purpose of keeping the official time of the 38 39 Toughman contestant. – Any person who competes in a toughman 40 (29)41 42 Toughman event. – An elimination program of matches in which: (i) (30)the contestants are not professional boxers; (ii) the finalist receives a 43 44 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).

(31) <u>Ultimate warrior match.</u> – 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.

"§ 143-659.3. State Boxing Commission.

- (a) <u>Creation. The North Carolina State Boxing Commission is created within the Division of Tourism, Film, and Sports Development of the Department of Commerce to regulate in North Carolina live boxing and kickboxing matches, whether professional, amateur, sanctioned amateur, or toughman events, in which admission is charged for viewing, or the contestants compete for a purse or prize of value greater than twenty-five dollars (\$25.00). The Commission shall consist of seven members. All the members shall be residents of this State and meet requirements for membership under the Professional Boxing Safety Act of 1996. The initial Commission members shall be appointed as follows:</u>
 - (1) The General Assembly, upon the recommendation of the Speaker of the House of Representatives, shall appoint two Commission members, one to serve a two-year term and one to serve a three-year term.
 - (2) The General Assembly, upon the recommendation of the President Pro
 Tempore of the Senate, shall appoint two Commission members, one
 to serve a one-year term and one to serve a two-year term.
 - (3) The Governor shall appoint two Commission members, one to serve a one-year term and one to serve a three-year term.
 - (4) The Lieutenant Governor shall appoint one Commission member to serve a two-year term.

Upon the expiration of the terms of the initial Commission members, each member shall be appointed for a term of three years and shall serve until a successor is appointed. The Governor shall designate which member of the Commission is to serve as chair. A member of the Commission may be removed from office by the Division. 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 Division.

- (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 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, 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) <u>Facilities.</u>
 - (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 Division 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 Division. 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.

"§ 143-659.4. Licensing and permitting.

(a) <u>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,</u>

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.

- (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. The surety bond shall be issued 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 Division 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.

"§ 143-659.5. Fees; State Boxing Commission Revenue Account.

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

37	Announcer Announcer	<u>\$50.00</u>
38	<u>Contestant</u>	<u>\$25.00</u>
39	<u>Judge</u>	<u>\$50.00</u>
40	<u>Manager</u>	<u>\$100.00</u>
41	<u>Matchmaker</u>	<u>\$200.00</u>
42	<u>Promoter</u>	<u>\$300.00</u>
43	<u>Referee</u>	<u>\$50.00</u>
44	<u>Timekeeper</u>	<u>\$50.00</u>

1 <u>Second</u> \$25.00.

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:

 Seating Capacity
 Fee Amount

 1
 Less than 2,000
 \$100.00

 2,000 - 5,000
 \$200.00

 9
 Over 5,000
 \$300.00

(c) <u>State Boxing Commission Revenue Account.</u> – There is created the <u>State Boxing Commission Revenue Account within the Division of Tourism, Film, and Sports Development of the Department of Commerce. Moneys collected pursuant to the provisions of this Article shall be credited to the Account and applied to the administration of the Article.</u>

"§ 143-659.6. Contracts and financial arrangements.

Any contract between licensees and related to a boxing match or exhibition held or to be held in this State must meet the requirements of administrative rules as set forth by the Commission. Any contract which does not satisfy the requirements of the administrative rules shall be void and unenforceable. All contracts shall be in writing.

"§ 143-659.7. Sanctioned amateur matches.

In addition to the other applicable provisions of this Article, a sanctioned amateur match shall be conducted pursuant to the rules of the sports organization sanctioning the boxing match or exhibition.

"§ 143-659.8. Violations.

(a) Civil Penalties. – The Division may issue an order against a licensee or other person who willfully violates any provision of this Article, 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.

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.

- (b) <u>Criminal Penalties. A willful violation of any provision of this Article shall constitute a Class 2 misdemeanor. The Division 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.</u>
- (c) <u>Injunction.</u> Whenever it appears to the Division 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 Division 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."

SECTION 4. G.S. 18B-502(a) reads as rewritten:

"(a) Authority. – To procure evidence of violations of the ABC law, alcohol law-enforcement agents, employees of the Commission, local ABC officers, and officers of local law-enforcement agencies that have contracted to provide ABC enforcement under G.S. 18B-501(f) shall have authority to investigate the operation of each licensed premises for which an ABC permit has been issued, to make inspections that include viewing the entire premises, and to examine the books and records of the permittee. The inspection authorized by this section may be made at any time it reasonably appears that someone is on the premises. Alcohol law-enforcement agents are also authorized to be on the premises to the extent necessary to enforce the provisions of Article 68A rticle 68A of Chapter 143 of the General Statutes."

SECTION 5. G.S. 90-18.3 reads as rewritten:

"§ 90-18.3. Physical examination by nurse practitioners and physician assistants.

- (a) Whenever a statute or State agency rule requires that a physical examination shall be conducted by a physician, the examination may be conducted and the form signed by a nurse practitioner or a physician's assistant, and a physician need not be present. Nothing in this section shall otherwise change the scope of practice of a nurse practitioner or a physician's assistant, as defined by G.S. 90-18.1 and G.S. 90-18.2, respectively.
- (b) This section shall not apply to physical examinations conducted pursuant to G.S. 1A-1, Rule 35; G.S. 15B-12; G.S. 90-14G.S. 90-14; or any rules adopted by the North Carolina Boxing Commission requiring physical examinations unless those statutes or rules are amended to make the provisions of this section applicable."

SECTION 6. This act is effective when it becomes law.