



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 295 (as enrolled)

PUBLIC ACT 217 of 1995

Sponsor: Senator Joel D. Gougeon

Senate Committee: Economic Development, International Trade and Regulatory Affairs

House Committee: Regulatory Affairs

Date Completed: 3-18-96

RATIONALE

In Michigan, professional and amateur boxing is regulated under the Occupational Code by the Department of Commerce and the State Athletic Board of Control, a nine-member board appointed by the Governor. Public Act 257 of 1994 amended the Code to exempt so-called "Toughman contests" from these regulations until November 1, 1995, but required physical exams, alcohol tests, and medical insurance for participants. Toughman contests are elimination tournaments of nonprofessionals fighting three one-minute rounds or less. Although these events had been held in Michigan, as well as across the nation, for a number of years, the Attorney General obtained a preliminary injunction against them in February 1994. When Public Act 257 subsequently legalized the contests, opponents argued that the State should continue to regulate them as boxing, if not disallow them altogether. Some people believed that the medical insurance requirement was inadequate, and the State's taxpayers could end up underwriting the costs of long-term injuries. As the November 1, 1995, sunset approached, it was proposed that the exemption from boxing regulations should be retained but the regulations for Toughman contests should be expanded.

Some people also raised concerns about the lack of training or educational requirements for licensing professional boxing judges and referees. According to a member of the Athletic Board of Control, any individual could pay a \$90 fee and receive a referee's license for professional boxing, and anyone could pay \$30 for a license to serve as a judge scoring fights. It was suggested that training and experience requirements should be established.

In addition, it was suggested that neither professional wrestling nor sparring should be subject to statutory regulation. Apparently, since

the Occupational Code was enacted, professional wrestling has been transformed from a competitive sport to a form of entertainment in which the results are predetermined. Sparring evidently is noncompetitive also, and is a typical part of most training programs. Many believed that the State should not be required to regulate either activity.

CONTENT

The bill amended Article 8 of the Occupational Code to delete the November 1, 1995, sunset on the exemption of certain boxing elimination contests from the article's regulations; require contestants in an elimination contest to be insured by the promoter for all medical expenses; require promoters to conduct elimination contests in compliance with specific criteria, including examination by a physician and prescribed periods of rest for certain contestants; specify criteria for licensure as a boxer or as a judge or referee of boxing matches; and specify that "boxing club" means an organization affiliated with USA Boxing, rather than the Amateur Athletic Union of the United States. The bill also deleted sparring and wrestling from the provisions of Article 8.

Elimination Contests

The Code provided that, until November 1, 1995, Article 8 did not apply to boxing elimination contests under certain circumstances. Among other things, the contestants participating in an elimination contest had to be insured by the promoter for at least \$1,000 for medical and hospital expenses to be paid to the contestants for injuries sustained in the contest. The bill removed the November 1, 1995, date, thereby retaining the

exemption from Article 8 for boxing elimination contests. The bill requires that participating contestants be insured by the promoter for all medical and hospital expenses to be paid to contestants for injuries sustained in the contest.

The bill also specifies criteria under which a promoter must conduct an elimination contest. First, a contestant who has lost by a technical knockout may not be permitted to compete again for 30 calendar days or until he or she has submitted to the promoter the results of a physical examination equivalent to that required of professional boxers. Second, the ringside physician must examine a contestant who has been knocked out in an elimination contest or whose fight has been stopped by the referee because he or she received hard blows to the head that made him or her defenseless or incapable of continuing immediately after the knockout or stoppage. The ringside physician may recommend post-fight neurological examinations, including computerized axial tomography (CAT) scans or magnetic resonance imaging (MRI), to be performed on the contestant immediately after he or she leaves the location of the contest. The promoter may not permit the contestant to compete until the physician has certified that the contestant is fit to compete. If the physician recommended further neurological examinations, the promoter may not permit the contestant to compete until the promoter receives copies of examination reports demonstrating that the contestant is fit to compete.

In addition, a promoter must require that a contestant who has sustained a severe injury or knockout in an elimination contest be examined by a physician. The promoter may not permit the contestant to compete until the physician has certified that the contestant has fully recovered. The promoter also may not permit a contestant to compete in an elimination contest for a period of at least 60 days if he or she has been knocked out or has received excessive hard blows to the head that required the fight to be stopped. A contestant who has been knocked out twice in a period of three months or who has had excessive head blows causing a fight to be stopped may not be permitted by a promoter to participate in an elimination contest for at least 120 days from the second knockout or stoppage. If a contestant has been knocked out or had excessive hard blows to the head causing a fight to be stopped three times consecutively in a period of 12 months, a promoter may not permit the contestant to participate for one year from the third knockout. Before a

contestant resumes competition after any of these rest periods, a promoter must require the contestant to produce a certification by a physician stating that the contestant is fit to take part in an elimination contest.

Licensure Requirements

The bill requires an applicant for licensure as a judge, referee, or boxer to pass a physical examination acceptable to the Athletic Board of Control, and present evidence of passage to the Department of Commerce. Further, an applicant for licensure as a judge or referee may be required to pass satisfactorily an examination acceptable to the Board and the Department. The Department must issue a license without an examination to a person who was licensed under Article 8 on the effective date of the bill, upon application on a form provided by the Department.

The bill also specifies that in addition to the article's licensure requirements, an applicant for license as a professional referee must unofficially referee a minimum of 300 rounds of amateur competitive or noncompetitive boxing in a facility that conducts an active boxing program. (The licensure requirements in question require an applicant for licensure as a promoter, referee, or judge to be of good moral character, and require license applications to be in writing and verified by the applicant and state the facts requested by the Department.) After a person has successfully completed the examination and refereeing requirements of the bill, the Department may issue the applicant a limited license as a referee. Before the person is issued a full license as a referee, he or she must officiate at least 12 4-round preliminary contests, at least six 6-round preliminary contests, and at least four 8-round preliminary contests. After the applicant completes officiating the mandatory number of rounds, the Board must review and evaluate the applicant's work.

In addition to the article's licensure requirements, an applicant for license as a professional judge must score, unofficially, at least 200 rounds of professional boxing. To fulfill this requirement, the applicant may only unofficially judge contests approved by the Department for that purpose. An applicant may not receive compensation for judging these contests. Scorecards must be transmitted to the Department for review and evaluation. The Department must complete a standardized evaluation sheet for each contest judged by a licensee. The evaluation sheets

periodically must be reviewed and evaluated by the Board.

MCL 339.801 et al.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

While the Athletic Board of Control is responsible for regulating professional athletic events, Toughman contests are considered entertainment in which nonprofessionals participate. By removing the November 1, 1995, sunset on the exemption of Toughman contests from boxing regulations, the bill retains that exemption indefinitely. The Board of Control will not have to regulate this form of entertainment, and Toughman contests will not be subject to unnecessary State rules. At the same time, the bill strengthens the protections for contest participants by requiring promoters to insure contestants for all medical and hospital expenses, and requiring medical examinations and rest periods for participants who sustain knockouts or serious blows to the head. These provisions should reduce, if not eliminate, the risk of a repetition of the few serious injuries that have occurred in past Toughman contests.

Supporting Argument

Previously, no applicant had to have any training or demonstrate any knowledge of boxing or boxing rules to be a referee or judge. The bill adds much needed licensing criteria for these individuals, who are responsible for such decisions as whether a fight should be stopped or whether a punch was legal. It takes training to recognize when a fighter is in trouble, and it takes a certain expertise to score a fight properly. Under the bill, an individual must pass a physical examination, as well as an examination given by the Athletic Board of Control, and demonstrate a minimum level of experience in refereeing or scoring. The bill also gives the Board greater oversight by requiring standardized evaluation sheets that must be reviewed periodically by the Board.

Supporting Argument

The bill removes the State from the business of regulating professional wrestling. As a member of the Board of Control put it, "Professional Wrestling is theater. It's fake. Its choreographed. The winner is predetermined. The statute regulating professional wrestling is an anachronism from an

era when professional wrestling was legitimate... This bill doesn't ban professional wrestling, it just gets the State of Michigan out of being a participant in this charade." Evidently, the Department has not been regulating or attempting to enforce the statute or rules affecting professional wrestling.

Opposing Argument

Toughman contests involve two untrained, physically unconditioned people who attempt to inflict as much damage to each other as they can. Serious injuries can and do occur. These events should be either disallowed or regulated as boxing matches.

Response: The bill considerably enhances the protections that were enacted in 1994, and requires full medical and hospital insurance for participants.

Legislative Analyst: S. Margules

FISCAL IMPACT

The provisions in the bill for prelicensure examinations *might* cost the Department of Commerce *up to* \$75,000 to design and administer.

Fiscal Analyst: M. Barsch

A9596\S295EA

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.