

Act No. 183
Public Acts of 2015
Approved by the Governor
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**STATE OF MICHIGAN
98TH LEGISLATURE
REGULAR SESSION OF 2015**

Introduced by Senator Robertson

ENROLLED SENATE BILL No. 152

AN ACT to amend 2004 PA 403, entitled “An act to regulate certain forms of boxing; to create certain commissions and to provide certain powers and duties for certain state agencies and departments; to license and regulate certain persons engaged in boxing, certain persons connected to the business of boxing, and certain persons conducting certain contests and exhibitions; to confer immunity under certain circumstances; to provide for the conducting of certain tests; to assess certain fees; to create certain funds; to promulgate rules; to provide for penalties and remedies; and to repeal acts and parts of acts,” by amending the title and sections 10, 11, 12, 20, 21, 22, 30, 31, 33, 34, 35, 40, 41, 42, 44, 45, 47, 48, 55, 57, and 58 (MCL 338.3610, 338.3611, 338.3612, 338.3620, 338.3621, 338.3622, 338.3630, 338.3631, 338.3633, 338.3634, 338.3635, 338.3640, 338.3641, 338.3642, 338.3644, 338.3645, 338.3647, 338.3648, 338.3655, 338.3657, and 338.3658), sections 10, 11, 12, 21, 31, 34, 35, 47, 48, 55, 57, and 58 as amended by 2007 PA 196, sections 20 and 33 as amended by 2012 PA 546, and section 22 as amended by 2010 PA 100, and by adding sections 33a, 33b, 33c, 33d, 49, 49a, and 54a; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

TITLE

An act to regulate the conduct of certain unarmed combat events and contests; to create the Michigan unarmed combat commission and establish its powers and duties; to provide for the powers and duties of certain state agencies and departments; to license and regulate promoters, contestants, and other persons engaged in the business of boxing and mixed martial arts; to confer immunity under certain circumstances; to provide for the conducting of certain tests; to assess fees; to establish the Michigan unarmed combat fund and provide for the use of the money in the fund; to authorize the promulgation of rules; to provide for penalties and remedies; and to repeal acts and parts of acts.

Sec. 10. As used in this act:

(a) “Amateur” means any of following:

(i) An individual who is not competing and has never competed for a prize or who is not competing and has not competed with or against a professional for a prize.

(ii) For a boxing contest, an individual who is required to register with USA Boxing, or any other amateur boxing organization recognized by the department to participate.

(b) “Boxer” means an individual who is licensed to engage in boxing.

(c) “Boxing” means the sport of attack and defense with fists, using padded gloves, in a square ring.

(d) "Chemical dependency" means that term as defined in section 16106a of the public health code, 1978 PA 368, MCL 333.16106a.

(e) "Commission" means the Michigan unarmed combat commission created in section 20.

(f) "Complainant" means a person that files a complaint with the department alleging that a person has violated this act or a rule promulgated or an order issued under this act. If a complaint is made by the department, complainant means 1 or more employees of the department who act as the complainant.

(g) "Contest" means an individual bout between 2 boxers, 2 mixed martial artists, or 2 individuals engaged in other unarmed combat that is subject to this act.

(h) "Contestant" means an individual who competes in an unarmed combat contest or event.

(i) "Department" means the department of licensing and regulatory affairs.

(j) "Director" means the director of the department or his or her designee.

(k) "Emergency medical technician" means that term as defined in section 20904 of the public health code, 1978 PA 368, MCL 333.20904.

(l) "Employee of the department" means an individual who is employed by the department, or a person that is under contract to the department, whose duty it is to enforce the provisions of this act or rules promulgated or orders issued under this act.

(m) "Event" means a program of unarmed combat that is planned for a specific date and time by a promoter and is subject to the approval of the department under this act.

(n) "Fund" means the Michigan unarmed combat fund created in section 22.

(o) "Good moral character" means good moral character as determined and defined under 1974 PA 381, MCL 338.41 to 338.47.

(p) "Impaired" means the inability or immediately impending inability of an individual to safely participate in a contest or event due to his or her substance abuse, chemical dependency, or use of drugs or alcohol that does not constitute substance abuse or chemical dependency.

(q) "Matchmaker" means an individual who is responsible for arranging individual contests of unarmed combat.

(r) "Medical clearance" means a determination by a physician, made with reasonable medical certainty, that a contestant does not have a medical condition that would prevent him or her from being able to participate in an event or contest.

(s) "Mixed martial artist" means an individual who is licensed to compete in a mixed martial arts event or contest.

(t) "Mixed martial arts" means a form of combat, either amateur or professional, that involves the use of a combination of techniques from different disciplines of the martial arts, including grappling, kicking, and striking, subject to the limitations contained in this act and rules promulgated under this act.

Sec. 11. As used in this act:

(a) "Participant" means a referee, judge, matchmaker, timekeeper, contestant, or promoter.

(b) "Person" means any of the following:

(i) An individual, corporation, limited liability company, partnership, association, or other legal entity.

(ii) A department, board, commission, agency, or authority of the United States, this state, or a political subdivision of this state or a public school, community college, or university.

(iii) A training center or a school or other educational institution.

(iv) A combination of persons described in subparagraphs (i) to (iii).

(c) "Physician" means that term as defined in section 17001 or 17501 of the public health code, 1978 PA 368, MCL 333.17001 and 333.17501.

(d) "Prize" means currency or any other valuable compensation or reward offered or given to a contestant. The term does not include a watch, medal, article of jewelry, trophy, or ornament that is suitably inscribed to show that it is given for participation in a contest and costs \$200.00 or less.

(e) "Professional" means an individual who is competing or has competed in unarmed combat for a prize.

(f) "Promoter" means a person that produces or stages, in whole or in part, an unarmed combat contest or event.

(g) "Purse" means a prize or any other remuneration offered to contestants to compete in a contest or event. The term includes a professional's share of any payment received for radio, television, motion picture rights, or other media.

(h) "Respondent" means a licensee or other person against which a complaint is filed under this act.

(i) "Rule" means a rule promulgated under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(j) "Settlement" means an agreement, stipulation, consent order, waiver, default, or other method of settlement of a complaint that is agreed to by the parties and the department.

(k) "Substance abuse" means that term as defined in section 16106a of the public health code, 1978 PA 368, MCL 333.16106a.

(l) "Training center" means an institution that is formed or operated principally to provide instruction in boxing, mixed martial arts, or other sports.

(m) "Unarmed combat" means any of the following:

(i) Professional boxing.

(ii) Professional or amateur mixed martial arts.

(iii) Any other form of competition in which a blow is usually struck or another fighting technique is applied that may reasonably be expected to inflict injury.

Sec. 12. (1) This act does not apply to any of the following:

(a) Professional or amateur wrestling.

(b) An event that is conducted by or participated in exclusively by an agency of the United States government or by a school, college, or university or an organization that is composed exclusively of those entities if each contestant is an amateur.

(c) An event that is sponsored by or under the supervision of the United States Olympic Committee in which all of the contestants are amateur boxers.

(d) An amateur boxing event that is sponsored by or under the supervision of USA Boxing or any of the following organizations affiliated with USA Boxing:

(i) Golden Gloves Association of America Inc.

(ii) National Association of Police Athletic League.

(iii) National Collegiate Boxing Association.

(iv) Native American Sports Council.

(v) Silver Gloves Association.

(2) Boxing elimination contests regulated under section 50 are not subject to the other provisions of this act.

Sec. 20. (1) The Michigan unarmed combat commission is created in the department. The commission shall consist of 11 voting members, appointed by the governor with the advice and consent of the senate, as follows:

(a) Four members who have experience, knowledge, or background in boxing.

(b) Four members who have experience, knowledge, or background in mixed martial arts.

(c) Three members who are members of the general public.

(2) The department shall provide the budgeting, procurement, human resources, information technology, and related management functions of the commission.

(3) Except as otherwise provided in this subsection, members of the commission shall serve a term of 4 years. However, of the initial members appointed under this act, the governor shall appoint 2 of the members to terms of 4 years, 2 of the members to terms of 2 years, and 3 of the members to terms of 1 year. Members appointed by the governor serve at the pleasure of the governor.

(4) Subject to subsections (5) and (6), 7 members of the commission constitute a quorum of the commission under this act. Subject to subsections (5) and (6), approval by at least 4 of the members, or by a majority of those members who have not participated in an investigation or administrative hearing regarding a matter before the commission, is necessary for action by the commission.

(5) All of the following apply if a proposed action of the commission is designated by the director as related only to boxing:

(a) The proposed action shall only be considered by the commission members described in subsection (1)(a) and (c).

(b) The quorum requirement for consideration of the proposed action is 4 members who are eligible to consider the action under subdivision (a), 2 of whom are members described in subsection (1)(a).

(c) Approval by at least 3 of the members who are eligible to consider the action under subdivision (a) is required for the commission to take that action.

(6) All of the following apply if a proposed action of the commission is designated by the director as related only to mixed martial arts:

(a) The proposed action shall only be considered by the commission members described in subsection (1)(b) and (c).

(b) The quorum requirement for consideration of the proposed action is 4 members who are eligible to consider the action under subdivision (a), 2 of whom are members described in subsection (1)(b).

(c) Approval by at least 3 of the members who are eligible to consider the action under subdivision (a) is required for the commission to take that action.

(7) While serving as a member of the commission, an individual shall not promote or sponsor any contest or event of any unarmed combat, or a combination of those contests or events, or have any financial interest in the promotion or sponsorship of those contests or events. The commission shall meet not less than 4 times per year. The chair in his or her discretion may cancel 1 or more of these meetings if he or she determines that there is no business to conduct at a meeting. If requested by the chair, the department may schedule additional interim meetings.

(8) Except as otherwise provided in sections 33(10) and 61a, the records of the commission are subject to disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(9) Meetings of the commission are subject to the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

Sec. 21. An individual who has a material financial interest in a club, corporation, or other organization is not eligible for appointment to the commission if the primary purpose of that organization is to conduct unarmed combat contests or events.

Sec. 22. (1) The commission shall elect 1 of its members as the chair of the commission.

(2) The director shall review the rules of the Association of Boxing Commissions before he or she promulgates rules for the administration of this act and may adopt by reference any of the rules of the Association of Boxing Commissions that are not inconsistent with this act.

(3) The director shall consult with the commission before he or she promulgates rules for the administration of this act. The commission may request that the department promulgate a rule under section 38 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.238. Notwithstanding the time limit provided for in section 38 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.238, the department shall respond in writing to any request from the commission under this subsection within 30 calendar days after the request. The response shall include a reason and explanation for agreeing to or denying the request.

(4) The director shall promulgate rules to establish all of the following and may establish any additional rules the director considers are necessary to administer and enforce this act:

(a) Number and qualifications of ring officials required at any event or contest.

(b) Powers, duties, and compensation of ring officials.

(c) Qualifications, activities, and responsibilities of licensees.

(d) License fees not otherwise provided under this act.

(e) Any necessary standards designed to accommodate federally imposed mandates that do not directly conflict with this act.

(f) A list of enhancers and prohibited substances, the presence of which in a contestant is grounds for suspension or revocation of the license or other sanctions.

(g) Standards to protect the health and safety of contestants participating in contests and events.

(5) The Michigan unarmed combat fund is created in the state treasury. All of the following apply to the fund:

(a) The director is the administrator of the fund, including for auditing purposes.

(b) The department shall use the money in the fund, on appropriation, only for the costs of administration and enforcement of this act and for any costs associated with the administration of this act, including, but not limited to, reimbursing the department of attorney general for the reasonable costs of services provided to the department under this act.

(c) The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments.

(d) Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund.

(e) The department shall deposit into the fund all money received from the regulatory and enforcement fee, license fees, event fees, and administrative fines imposed under this act, and from any other source.

(6) Annually, the legislature shall fix the per diem compensation of the members of the commission. Travel or other expenses incurred by a commission member in the performance of an official function shall be payable by the department under the standardized travel regulations of the department of technology, management, and budget.

(7) The department and commission may affiliate with any other state or national boxing, mixed martial arts, or unarmed combat commission or athletic authority. The commission, with the approval of the director, may enter into any appropriate reciprocity agreements.

(8) The commission and department are vested with management, control, and jurisdiction over all professional boxing, professional or amateur mixed martial arts, or unarmed combat contests or events conducted in this state. Except for a contest or event that is exempt under this act, a person shall not conduct a contest or event in this state except in compliance with this act.

Sec. 30. (1) A person shall not conduct a contest or event that is regulated under this act without a promoter's license under this act, or engage in or attempt to engage in any other activity regulated under this act without the applicable license issued by the department under this act, unless the person is exempt from licensure under this act.

(2) An annual license issued under this act expires on August 31 of the calendar year following the year in which the license was issued.

Sec. 31. By filing an application for a license, an applicant does both of the following:

(a) Certifies the applicant's general suitability, character, integrity, and ability to participate, engage in, or be associated with boxing or mixed martial arts contests or events. The burden of proof is on the applicant to establish to the satisfaction of the commission and the department that the applicant is qualified to receive a license.

(b) Accepts the risk of adverse public notice, embarrassment, criticism, financial loss, or other action with respect to the application and expressly waives any claim for damages as a result of any adverse public notice, embarrassment, criticism, financial loss, or other action. Any written or oral statement made by any member of the commission or any witness testifying under oath that is relevant to the application and investigation of the applicant is immune from civil liability for libel, slander, or any other tort.

Sec. 33. (1) An application for a promoter's license must be in writing and shall include the legal name, street address, and telephone number of the applicant.

(2) An applicant for a promoter's license must demonstrate good moral character. If an applicant for a promoter's license is denied a license because of a lack of good moral character, the applicant may petition the commission for a review of the decision under section 46.

(3) Before the department grants an approval for a contest or event, the promoter must submit a bond to the department that meets all of the following:

- (a) Is in an amount fixed by the department but not less than \$20,000.00 or more than \$50,000.00.
- (b) Is executed by the promoter as principal.
- (c) Is issued by a corporation that is qualified under the laws of this state as a surety.
- (d) Is payable to the state of Michigan.
- (e) Is purchased at least 5 days before the contest.
- (f) Is conditioned on the faithful distribution of all money owed by the promoter as a result of the event.
- (g) Is for the benefit of any person that is damaged by the promoter's nonpayment of any liabilities associated with the event.
- (h) Allows any affected person to bring an action on the bond.
- (i) Remains in effect until all complaints properly filed with the department for nonpayment of obligations covered by the bond are fully adjudicated. A complaint is not properly filed if it is not filed within 30 business days following the event covered by the bond.

(4) A promoter must apply for and obtain an annual license from the department in order to present a program of contests or events regulated under this act. The annual license fee is \$300.00. The department shall request, and the applicant shall provide, any information that the department determines is necessary to ascertain the financial stability of the applicant. Section 61a applies to any information provided by an applicant under this subsection.

(5) A promoter that conducts an event in this state shall pay an event fee of \$500.00.

(6) To assure the integrity of the sports of boxing and mixed martial arts, the public interest, and the welfare and safety of contestants, each promoter that conducts an event in this state shall pay a regulatory and enforcement fee for that event in an amount equal to 3% of the total gross receipts from any contracts for the sale, lease, or other exploitation of broadcasting, television, and motion picture rights or other media for the event, or \$25,000.00, whichever is less, if either of the following is met:

- (a) The event is located in a venue with a seating capacity of more than 5,000.
 - (b) The promoter proposes to televise or broadcast the event over any medium for viewing by spectators who are not present in the venue.
- (7) For purposes of subsection (6), at least 10 days before the event, the promoter shall submit any contract that is subject to the regulatory and enforcement fee to the department, stating the amount of the probable total gross receipts from the sale, lease, or other exploitation of broadcasting, television, motion picture rights, or other media for the event.

However, this subsection does not apply to a promoter that agrees to pay a regulatory and enforcement fee under subsection (6) of \$25,000.00, and the department receives that payment from the promoter at least 3 business days before the event.

(8) The department shall deposit the money received from the proceeds of the regulatory and enforcement fee into the fund created in section 22 and use those proceeds for the purposes described in that section.

(9) Within 1 business day before a contest or event, the promoter shall deliver to the department a copy of all of the executed contracts between the promoter and the professionals who are participating in that contest or event. The copies of the contracts are exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, except that the department may disclose statistical information on the number, types, and amounts of contracts if information regarding identifiable individuals or categories is not revealed.

(10) The commission or department may require that a promoter ensure that a contestant is available for drug testing before or after a contest to detect the presence of controlled substances, alcohol, enhancers, stimulants, performance enhancing drugs, or other drugs or substances prohibited by rules promulgated by the department, or derivatives or metabolites of controlled substances, alcohol, enhancers, stimulants, performance enhancing drugs, or other drugs or substances prohibited by rules promulgated by the department. A contestant shall submit to a urinalysis or chemical test before or after a contest if the commission, the department, a designated representative of the commission or department, or an inspector described in subsection (11) directs him or her to do so. If a contestant fails or refuses to submit to a urinalysis or chemical test under this subsection, or the results of the urinalysis or chemical test confirm or demonstrate that the contestant has violated this act, he or she is subject to disciplinary action by the commission under this act. In addition to any other disciplinary action by the commission, if the contestant won the contest or the contest was a draw, the commission may change the result of that contest to a no decision. The department may promulgate rules to define the terms “stimulants” or “performance enhancing drugs.”

(11) A promoter shall not conduct a professional boxing, professional mixed martial arts, or amateur mixed martial arts event in this state unless at least 1 inspector is present at the event. All of the following apply to an inspector:

(a) An inspector shall not have any relationship or business interest with a licensee involved in an event for which he or she is the inspector.

(b) An inspector shall collect and submit all contestant drug tests as required by the department to ensure the chain of custody of those tests.

(c) An inspector must be an individual who meets any of the following:

(i) Is certified, or was previously certified, by the commission on law enforcement standards under the commission on law enforcement standards act, 1965 PA 203, MCL 28.601 to 28.616.

(ii) Is licensed by the department as a private security guard or security guard agency.

(iii) Is employed by a security guard agency that is licensed by the department.

(d) The department may promulgate rules under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to establish additional duties of inspectors.

(e) An inspector shall receive reasonable compensation, and reimbursement of his or her actual and necessary travel expenses, for attending an event.

(f) The promoter of an event is responsible for payment of an inspector for that event under subdivision (e).

Sec. 33a. (1) Before an individual participates in a contest, he or she shall obtain a contestant license from the department. To obtain a contestant license, an applicant must submit all of the following to the department:

(a) An application that includes his or her name, address, and date of birth. The department may prescribe the form and the contents of the application form.

(b) With the application described in subdivision (a), a nonrefundable application processing fee in the amount of \$45.00 and an annual license fee of \$45.00.

(c) If he or she is applying for a license as a professional contestant in boxing, the identification number of his or her federal identification card described in section 33d(1).

(d) If he or she is applying for a license as a professional contestant in mixed martial arts, the identification number of his or her national identification card described in section 33d(2).

(2) Except as otherwise provided in this act, the department shall issue a contestant license under this section to an individual who meets the contestant licensing requirements under this act and rules promulgated under this act. The department shall assign a license number to each license issued under this subsection.

(3) In any notice, report, or other communication with the department or commission that identifies or refers to a specific contestant, including, but not limited to, the report of the results of each contest under section 54a(2)(bb), a promoter shall include the license number of the contestant assigned under subsection (2).

(4) An individual shall not receive a contestant license under this section unless he or she passes a physical examination that is performed by a physician and submits the results of that examination to the department on a form prescribed by the department.

Sec. 33b. (1) An individual shall not participate in a contest or event as a referee, judge, matchmaker, or timekeeper without a participant license from the department under this section. To obtain a participant license, an applicant must submit all of the following to the department:

(a) An application. The department may prescribe the form and the contents of the application form.

(b) With the application described in subdivision (a), a nonrefundable application processing fee in the amount of \$30.00 and 1 of the following annual license fees, as applicable:

(i) Referee license, \$150.00.

(ii) Judge license, \$70.00.

(iii) Matchmaker license, \$150.00.

(iv) Timekeeper license, \$70.00.

(2) An applicant for a referee, judge, matchmaker, or timekeeper participant license must demonstrate to the satisfaction of the department that he or she meets all of the following to receive a license under this section:

(a) Has good moral character.

(b) Is at least 18 years of age.

(c) Any other requirement established by rule.

Sec. 33c. (1) A person that fails to renew a promoter license that is required under this act on or before its expiration date shall not conduct a contest or event or advertise, operate, or use the title "promoter" after the license expires.

(2) An individual who fails to renew a contestant license that is required under this act on or before its expiration date shall not participate in a contest or event or use the title "contestant" after his or her license expires.

(3) An individual who fails to renew a participant license that is required under this act on or before its expiration date shall not participate in an event or contest or use the title "referee", "boxing referee", "mixed martial arts referee", "judge", "boxing judge", "mixed martial arts judge", "matchmaker", "timekeeper", "boxing timekeeper", or "mixed martial arts timekeeper" after his or her license expires.

(4) A person that does not renew a license issued under this act on or before its expiration date may renew the license within 60 days after the expiration date by paying the required license fee and paying a late renewal fee in the amount of \$30.00. After that 60-day period, the person may only obtain a license under this act by complying with the requirements of this chapter for obtaining a new license, paying the required license fee, and paying a late renewal fee in the amount of \$30.00.

Sec 33d. (1) An individual shall not receive a license as a professional contestant in boxing if he or she does not possess a federal identification card. If the individual does not have a federal identification card, and he or she is a resident of this state or is not a resident of any state of the United States, he or she shall submit a separate request to the department for a federal identification card. If the individual is a resident of another state, he or she must apply to that state for a federal identification card.

(2) An individual shall not receive a license as a professional contestant in mixed martial arts if he or she does not possess a national identification card. If the individual does not have a national identification card, he or she shall submit a separate request to the department for a national identification card.

(3) To obtain a federal or national identification card from the department, an applicant must do all of the following:

(a) Submit an application that includes his or her name, address, date of birth, and any other information required by the department. The department may prescribe the form and the contents of the application form.

(b) With the application described in subdivision (a), a nonrefundable application processing fee in the amount of \$20.00.

(4) The department shall transmit the information about an applicant described in subsection (3) to a federal or national recordkeeper designated by the department and, when approved by that recordkeeper, shall issue a federal or national identification card that includes an identification number assigned by that recordkeeper.

Sec. 34. (1) The director, in consultation with the commission, may promulgate rules for the application and approval process for promoters. Until the rules are promulgated, the applicant shall comply with the standards described in subsection (2).

(2) The rules regarding the application process described in subsection (1) shall include at least the following:

(a) An initial application processing fee in an amount sufficient to cover the costs of processing a promoter's license, but not less than \$250.00.

(b) A requirement that the applicant provide background information concerning the applicant, if the applicant is an individual, or concerning the principal officers or members of, and each individual who has at least a 10% ownership interest in the applicant if the applicant is not an individual, with emphasis on his or her business experience.

(c) Information from the applicant concerning past and present civil lawsuits, judgments, and filings under the bankruptcy code that are not more than 7 years old.

(d) Any other relevant and material information considered necessary by the director after consultation with the commission.

(3) The department may consult with the commission on issues related to the determination of an applicant's financial stability and shall refer the application to the commission if clear and convincing grounds for approval of the financial stability aspect of the application do not exist.

(4) As part of the approval process for promoters, the commission may require that the applicant or a representative of the applicant is present at the commission meeting at which the application is considered.

Sec. 35. The director, after consultation with the commission, may promulgate rules to set standards for unarmed combat events and participants, to establish training requirements for promoters, contestants, and participants regulated under this act, or to establish license fees or training requirements for other individuals who are engaged in activities regulated by this act not otherwise provided for in this act.

Sec. 40. A complaint that alleges that a person has violated this act or a rule promulgated or an order issued under this act shall be submitted to the department. The department of attorney general, the department, the commission, or any other person may file a complaint.

Sec. 41. (1) When it receives a complaint under section 40, the department shall immediately begin an investigation of the allegations of the complaint and shall open a correspondence file. The department shall make a written acknowledgment of the complaint within 15 days after it receives a complaint to the person that made the complaint. If a complaint is made by the department, the director shall designate 1 or more employees of the department to act as the person that made the complaint.

(2) The department shall conduct an investigation required under subsection (1). As part of that investigation, the department may request that the attorney general petition a court of competent jurisdiction to issue a subpoena requiring a person to appear before the department and be examined with reference to a matter within the scope of the investigation and to produce books, papers, or documents pertaining to the investigation.

(3) After conducting an investigation under subsection (1), if the department does not find that a violation of this act or a rule promulgated or an order issued under this act occurred, the department shall close the complaint. The department shall notify the complainant and respondent of its reasons for closing the complaint, and the complainant or respondent may then provide additional information to reopen the complaint.

(4) If the department investigation under subsection (1) reveals evidence of a violation of this act or a rule promulgated or an order issued under this act, the department or the department of attorney general shall prepare the appropriate action against the respondent, which may be any of the following:

(a) A formal complaint.

(b) A cease and desist order.

(c) A notice of summary suspension, subject to sections 42 and 48(5).

(5) At any time during its investigation or after a formal complaint is issued, the department may bring together the complainant and the respondent for an informal conference. At the informal conference, the department shall attempt to resolve issues raised in the complaint and may attempt to aid the parties in reaching a settlement.

Sec. 42. (1) After it conducts an investigation, the department may issue an order summarily suspending a license based on an affidavit by an individual who is familiar with the facts set forth in the affidavit, or, if appropriate, based on an affidavit made on information and belief, that an imminent threat to the integrity of the sport, the public interest, or the welfare and safety of a contestant exists.

(2) A person whose license is summarily suspended under this section may petition the department to dissolve the order. If it receives a petition to dissolve a summary suspension order under this subsection, the department may deny the request to dissolve the order, grant the request to dissolve the order, or immediately schedule a hearing to decide whether to grant or deny the request to dissolve the order.

(3) At a hearing described in subsection (2), an administrative law hearings examiner shall dissolve the summary suspension order, unless sufficient evidence is presented that an imminent threat to the integrity of the sport, the public interest, or the welfare and safety of a contestant exists that requires emergency action and continuation of the department's summary suspension order.

(4) The record created at a hearing described in subsection (2) to dissolve a summary suspension order shall become part of the record on the complaint at any subsequent hearing in a contested case on the complaint.

(5) A summary suspension of a contestant under section 48(5) for refusal or failure to submit to a drug test or for the presence of controlled substances, alcohol, enhancers, stimulants, performance enhancing drugs, or other drugs or substances prohibited by rules promulgated by the department, or derivatives or metabolites of controlled substances, alcohol, enhancers, stimulants, performance enhancing drugs, or other drugs or substances prohibited by rules promulgated by the department, shall proceed under this section.

Sec. 44. (1) A summary suspension order, cease and desist order, or injunctive relief issued or granted in relation to a license is in addition to and not in place of an informal conference; criminal prosecution; or proceeding to deny, revoke, or suspend a license; or any other action authorized under this act.

(2) After an investigation is conducted and a formal complaint is prepared, the department shall serve the formal complaint on the respondent and the complainant. At the same time, the department shall serve the respondent with a notice describing the compliance conference and hearing process and offering the respondent a choice of 1 of the following opportunities:

(a) An opportunity to meet with the department to negotiate a settlement of the matter.

(b) If the respondent is a licensee or registrant under this act, an opportunity to demonstrate compliance before a contested case hearing is held.

(c) An opportunity to proceed to a contested case hearing.

(3) A respondent upon which service of a formal complaint is made under this section may select, within 15 days after the receipt of notice, 1 of the options described in subsection (2). If a respondent does not select 1 of those options within the time period described in this section, then the department shall proceed to a contested case hearing as described in subsection (2)(c).

(4) An informal conference may be attended by a member of the commission, at the discretion of that commission, and may result in the agreement of the parties and the department to a settlement. A settlement may include the revocation or suspension of a license; censure; probation; restitution; or a penalty under section 48. The commission may reject a settlement and require a contested case hearing.

(5) An employee of the department may represent the department in any contested case hearing.

(6) This chapter does not prevent a person against which a complaint is filed from showing compliance with this act or a rule promulgated or an order promulgated or issued under this act.

(7) If an informal conference is not held or does not result in a settlement, the department shall allow the respondent an administrative hearing. A member of the commission may attend a hearing under this section.

(8) The department or the department of the attorney general may petition a court of competent jurisdiction to issue a subpoena that requires the person subpoenaed to appear or testify or produce relevant documentary material for examination at a proceeding.

Sec. 45. (1) At the conclusion of a hearing conducted under section 44(7), the administrative law hearings examiner shall submit a determination of findings of fact and conclusions of law to the department and the department of the attorney general and the commission, in a hearing report. The submitted hearing report may recommend the penalties to be assessed under section 48.

(2) A copy of a hearing report shall be submitted to the person that made the complaint and to the person against which the complaint was filed.

(3) Within 60 days after it receives an administrative law hearings examiner's hearing report, the commission shall meet and make a determination of the penalties to be assessed under section 48. The commission's determination shall be made on the basis of the administrative law hearings examiner's report. A transcript of a hearing or a portion of the transcript shall be made available to the commission on request. If a transcript or a portion of the transcript is requested, the commission's determination of the penalty or penalties to be assessed under section 48 shall be made at a meeting within 60 days after the commission receives the transcript or portion of the transcript.

(4) If the parties and the department agree to a settlement, and that settlement requires imposition of a penalty under section 48 but does not specify that penalty, the commission shall make a determination of the penalties within 60 days after it receives the settlement. The commission shall make its determination of the appropriate penalty based on the terms of the settlement.

(5) If the commission does not determine the appropriate penalty or penalties to be assessed within the time limits prescribed in subsection (3) or (4), the director may determine the appropriate penalty and issue a final order.

(6) A member of the commission who has participated in an investigation or administrative hearing on a complaint filed with the department or who has attended an informal conference shall not participate in making a final determination in a proceeding on that complaint.

Sec. 47. (1) The department shall initiate an action under this chapter against an applicant or take any other allowable action against the license of any contestant, promoter, or participant if the department determines that the applicant or licensee does any of the following:

- (a) Engages in fraud, deceit, or dishonesty in obtaining a license.
- (b) Engages in fraud, deceit, or dishonesty in performing the duties of a promoter, if applicable, or otherwise practicing that person's licensed occupation.
- (c) If the licensee or applicant pays a fee under this act with a check, money order, or similar instrument or with a credit card or debit card and that payment is dishonored or otherwise refused when presented by the department for payment, fails to pay that fee and reimburse the department for any charges incurred by the department in connection with that dishonored or refused payment. If a payment is dishonored or refused, the license is immediately suspended and remains suspended until the fee and the related charges are paid. As used in this subdivision, "dishonored" means that term as described in section 3502 of the uniform commercial code, 1962 PA 174, MCL 440.3502.
- (d) Enters into a contract for a contest or event in bad faith.
- (e) Participates in any sham or fake contest or event.
- (f) Participates in a contest or event under a collusive understanding or agreement in which the contestant competes or terminates the contest or event in a manner that is not based on honest competition or the honest exhibition of the skill of the contestant.
- (g) Is determined to have failed to give his or her best efforts, failed to compete honestly, or failed to give an honest exhibition of his or her skills in a contest.
- (h) Is determined to have performed an act or engaged in conduct that is detrimental to a contest or event, including, but not limited to, any foul or unsportsmanlike conduct in connection with a contest or event.
- (i) Gambles on the outcome of a contest or event in which he or she is a contestant, matchmaker, ring official, or second.
- (j) Assaults another licensee, outside of or while not involved in a contest, a commission member, or a department employee.
- (k) Engages in false advertising.
- (l) Fails to comply with a subpoena issued under this act.
- (m) Fails to provide a requested document or records to the department.
- (n) Violates or fails to comply with a settlement with or final order issued by the department or commission.
- (o) Fails to pay any obligation that is related to the normal course of promoting an event, including, but not limited to, venue rent or judge, physician, referee, or timekeeper fees.
- (p) Enters into a contract for a contest or event in bad faith.
- (q) Gambles on the outcome of a contest or event of which the person is a promoter.
- (r) Fails to file current address information with the department.
- (s) Tampers with or coerces a contestant.
- (t) Aids or abets another person to act as a promoter, contestant, or participant or conduct an event without a license under this act.
- (u) Violates any other provision of this act or a rule promulgated under this act for which a penalty or remedy is not otherwise prescribed.

(2) The department, in consultation with the commission, shall promulgate rules to provide for both of the following:

- (a) The timing of drug tests for contestants.
- (b) For purposes of section 48(5), specific summary suspension procedures for contestants who fail to submit to a drug test or who test positive for controlled substances, alcohol, enhancers, stimulants, performance enhancing drugs, or other drugs or substances prohibited by rules promulgated by the department, or derivatives or metabolites of controlled substances, alcohol, enhancers, stimulants, performance enhancing drugs, or other drugs or substances prohibited by rules promulgated by the department. The rules shall include all of the following:

- (i) A procedure to allow the department to place the licensee on the national suspension list maintained by the designated recordkeeper authorized by the Association of Boxing Commissions.

- (ii) An expedited appeal process for the summary suspension.

- (iii) A relicensing procedure following summary suspension.

(3) Each promoter shall furnish each member of the commission present at a contest or event a seat in the area immediately adjacent to the contest or event. An additional seat shall be provided in the venue.

Sec. 48. (1) If it receives an application for reinstatement and the payment of any administrative fine assessed by the commission under this section, the commission may reinstate a revoked license or lift a suspension.

(2) All of the following apply if disciplinary action is taken against a person under this act:

(a) If the disciplinary action does not relate to a contest or event, the commission may, in lieu of suspending or revoking a license, assess an administrative fine in an amount that does not exceed \$10,000.00.

(b) If disciplinary action is taken against a person under this act that relates to the preparation for a contest or an event, the occurrence of a contest or an event, or any other action taken in conjunction with a contest or an event, the commission may assess an administrative fine in an amount that does not exceed 100% of the share of the purse to which the holder of the license is entitled for the contest or event.

(c) If disciplinary action is taken against a person, other than a contestant, that relates to the preparation for a contest or event, the occurrence of a contest or event, or any other action taken in conjunction with a contest or event, the commission may assess an administrative fine in an amount that does not exceed \$100,000.00.

(3) The commission may assess an administrative fine under subsection (2) in addition to, or in lieu of, taking any other disciplinary action against the person.

(4) If an administrative fine is assessed under this section, the commission may recover the costs of the proceeding, including investigative costs and attorney fees. The department or the attorney general may bring an action in a court of competent jurisdiction to recover any administrative fines, investigative and other allowable costs, and attorney fees. The filing of an action to recover fines and costs does not bar the imposition of other penalties or remedies under this act.

(5) Either of the following is grounds for summary suspension of the individual's license under section 42:

(a) A test resulting in a finding of the presence of controlled substances, alcohol, enhancers, stimulants, performance enhancing drugs, or other drugs or substances prohibited by rules promulgated by the department, or derivatives or metabolites of controlled substances, alcohol, enhancers, stimulants, performance enhancing drugs, or other drugs or substances prohibited by rules promulgated by the department.

(b) The refusal or failure of a contestant to submit to the drug testing ordered by an authorized person.

Sec. 49. (1) If a person that holds a license under this act violates this act or a rule or order promulgated or issued under this act, the department may take 1 or more of the following actions:

(a) Suspend the person's license.

(b) Deny the renewal of the person's license.

(c) Revoke the person's license.

(d) Assess an administrative fine.

(e) Censure the licensee.

(2) If the department finds that a person that is subject to subsection (1) has violated this act or a rule promulgated under this act, that person is responsible for the department's expenses that are related to the investigation and any disciplinary proceeding for that violation and shall reimburse the department for those expenses. For purposes of this subsection, the department's expenses include, but are not limited to, salaries and benefits of personnel, travel and any other expenses of those personnel, and any other expenses incurred by the department in conducting the investigation and any disciplinary proceeding.

(3) The department may bring an injunctive action in a court of competent jurisdiction to restrain or prevent a person from violating this act. If successful in obtaining injunctive relief, the department is entitled to its costs and reasonable attorney fees.

(4) The penalties and remedies under this section and section 49a are independent and cumulative. The imposition of a remedy or penalty against a person under this section or section 49a does not bar the pursuit of any lawful remedy by that person or the pursuit of a lawful remedy by any other person against that person.

Sec. 49a. (1) A person that engages in or attempts to engage in an activity for which a license is required under this act, or uses a title designated in this act, without the appropriate license issued by the department under this act is guilty of a misdemeanor punishable by imprisonment for not more than 1 year or a fine of not more than \$1,000.00, or both.

(2) A person that knowingly allows a professional in mixed martial arts or boxing to participate as a contestant in an amateur mixed martial arts contest with an amateur is guilty of a felony punishable by imprisonment for not more than 3 years or a fine of \$10,000.00 per incident, or both.

(3) If a court finds in an action under this section or section 49(2) that a person has violated this act or a rule promulgated under this act, that person shall be assessed costs related to the investigation of the violation and costs related to the prosecution of the action. The costs related to the investigation and prosecution include, but are not

limited to, salaries and benefits of personnel, costs related to the time spent by the attorney general's office and other personnel working on the action, and any other expenses incurred by the department for the action.

Sec. 54a. (1) A licensed promoter that presents an unarmed combat event in this state must comply with all of the following:

(a) At least 5 days before the event, submit a request for approval of the event to the department, on a form prescribed by the department. The request shall include the names the promoter is required to provide under subdivisions (d), (e), (f), and (g).

(b) Within the 5-day period preceding a professional boxing or professional mixed martial arts event, submit the fight records of each contestant to the department. "Fight records" means that term as defined by the department by rule.

(c) Pay all obligations that are related to the normal course of promoting an unarmed combat event, including, but not limited to, venue rent and judge, physician, referee, and timekeeper fees.

(d) Arrange for a physician to attend the event for purposes of subsection (2)(l), and arrange for an alternate physician to attend the event if the original physician is unable to attend the event. The promoter shall include the name of the physician and the alternate physician described in this subdivision in the request submitted under subdivision (a).

(e) Arrange for an ambulance that is staffed by emergency medical technicians to be on the premises to attend the event for purposes of subsection (2)(k), and arrange for an alternate ambulance that is staffed by emergency medical technicians to be on the premises to attend the event if the original ambulance and emergency medical technicians are unable to attend the event. The promoter shall include the name of the ambulance provider and the emergency medical technicians and the alternate ambulance provider and emergency medical technicians described in this subdivision in the request submitted under subdivision (a).

(f) Arrange for a referee, judges, and a timekeeper to attend the event for purposes of subsection (2)(m). The promoter shall include the names of the referee, judges, and timekeeper described in this subdivision in the request submitted under subdivision (a).

(g) Arrange for an inspector who meets the requirements of section 33(11) to attend the event for purposes of subsection (2)(m). The promoter shall include the name of the inspector, and any other information about the inspector that is required by the department, in the request submitted under subdivision (a).

(h) Maintain records of the event for at least 1 year after the date of the scheduled event and make those records available to the department or law enforcement officials on request.

(2) A licensed promoter that is presenting an amateur mixed martial arts, professional mixed martial arts, or professional boxing event in this state shall ensure that all of the following are met in the conduct of the event:

(a) Except as provided in subdivision (b), each individual mixed martial arts contest consists of not more than 3 rounds, of not more than 5 minutes' duration, with at least a 1-minute rest period between each round; and the length of each individual boxing contest is determined by the department but does not exceed 10 rounds, of not more than 5 minutes' duration, with at least a 1-minute rest period between each round.

(b) Each individual national or international championship mixed martial arts contest consists of not more than 5 rounds, of not more than 5 minutes' duration, with at least a 1-minute rest period between each round; and the length of each individual national or international championship boxing contest is determined by the department but does not exceed 12 rounds, of not more than 5 minutes' duration, with at least a 1-minute rest period between each round.

(c) Each mixed martial arts contestant wears gloves, supplied by the promoter, that weigh at least 4 ounces and not more than 8 ounces; and each boxing contestant wears gloves that each weigh at least 8 ounces and not more than 16 ounces.

(d) The referee examines the gloves worn by each contestant before and during a contest. If the referee finds that a glove is misplaced, lumpy, broken, roughed, or otherwise unfit, the contestant must change the glove before the start of the contest.

(e) Before a contestant participates in a contest, he or she is weighed and placed in the appropriate weight class. As used in this subdivision and subdivision (f), "weight class" means 1 of the following:

- (i) Mini flyweight, if he or she weighs 105 pounds or less.
- (ii) Light flyweight, if he or she weighs 106 to 108 pounds.
- (iii) Flyweight, if he or she weighs 109 to 112 pounds.
- (iv) Super flyweight, if he or she weighs 113 to 115 pounds.
- (v) Bantamweight, if he or she weighs 116 to 118 pounds.
- (vi) Super bantamweight, if he or she weighs 119 to 122 pounds.
- (vii) Featherweight, if he or she weighs 123 to 126 pounds.

- (viii) Super featherweight, if he or she weighs 127 to 130 pounds.
- (ix) Lightweight, if he or she weighs 131 to 135 pounds.
- (x) Super lightweight, if he or she weighs 136 to 140 pounds.
- (xi) Welterweight, if he or she weighs 141 to 147 pounds.
- (xii) Super welterweight, if he or she weighs 148 to 154 pounds.
- (xiii) Middleweight, if he or she weighs 155 to 160 pounds.
- (xiv) Super middleweight, if he or she weighs 161 to 168 pounds.
- (xv) Light heavyweight, if he or she weighs 169 to 175 pounds.
- (xvi) Cruiserweight, if he or she weighs 176 to 200 pounds.
- (xvii) Heavyweight, if he or she weighs 201 to 260 pounds.
- (xviii) Super heavyweight, if he or she weighs 261 pounds or more.
- (f) A contestant only participates in a contest with another contestant who meets 1 of the following:
 - (i) The other contestant is in the same class as the contestant.
 - (ii) If the contestant's weight class is mini flyweight, light flyweight, flyweight, super flyweight, or bantamweight, and the other contestant is in another weight class, the weight difference between the contestants is not more than 3 pounds.
 - (iii) If the contestant's weight class is super bantamweight, featherweight, or super featherweight, and the other contestant is in another weight class, the weight difference between the contestants is not more than 4 pounds.
 - (iv) If the contestant's weight class is lightweight or super lightweight, and the other contestant is in another weight class, the weight difference between the contestants is not more than 5 pounds.
 - (v) If the contestant's weight class is welterweight, super welterweight, middleweight, super middleweight, or light heavyweight, and the other contestant is in another weight class, the weight difference between the contestants is not more than 7 pounds.
 - (vi) If the contestant's weight class is heavyweight or super heavyweight, there is no limitation on the weight difference between the contestant and the other contestant.
- (g) An individual does not compete as a contestant unless he or she submits to the promoter a medical certification of negative results for hepatitis B and C and HIV tests that were performed on the contestant in the 180-day period that precedes the scheduled contest or event.
- (h) An individual does not compete as a contestant unless he or she submits to the promoter the results of an ophthalmologic exam that was performed in the 180-day period that precedes the contest or event and the results of the exam are submitted to the department.
- (i) A female individual does not compete as a contestant unless she submits to the promoter the results of a pregnancy test that was performed on her in the 7-day period that precedes the contest or event and the results of the pregnancy test are negative.
- (j) An individual is not allowed to compete as a contestant without proper medical clearance.
- (k) The event does not take place or continue without an ambulance that is staffed by at least 2 emergency medical technicians on the premises of the event.
- (l) The event does not take place or continue without a physician at the event.
- (m) The event does not take place or continue without an inspector and a trained and competent referee, judge, and timekeeper.
- (n) An individual is not allowed to compete as a contestant if there is any reason to suspect that he or she is impaired or has used or uses performance enhancing drugs.
- (o) A professional is not allowed to compete as a contestant in an amateur event.
- (p) If an individual lost a contest by a technical knockout in the 30-day period preceding the event, he or she is not allowed to compete as a contestant unless he or she submits the results of a physical examination to the department that indicate that he or she is fit to compete.
- (q) The physician at the event determines the status of a contestant who is knocked out or whose contest is stopped by the referee. The physician may make recommendations concerning either of the following:
 - (i) The contestant's status, including, but not limited to, a recommendation to the department that the contestant not compete for a period of time specified by the physician.
 - (ii) The need for additional testing or examination of the contestant, including, but not limited to, a postfight neurological examination, which may include performing computerized axial tomography (CAT) scans or magnetic resonance imaging (MRI) on the contestant immediately after the contestant leaves the event venue.

(r) If a physician recommended that the contestant not compete for a period of time under subdivision (q)(i), that contestant does not compete in another contest during that time period.

(s) If a physician recommended further neurological examination of a contestant under subdivision (q)(ii), that contestant does not compete in another contest until those examinations are conducted, the promoter and department receive copies of the examination reports, and the reports demonstrate that the contestant is fit to compete.

(t) A contestant who sustains a severe injury or knockout in a contest is examined by a physician and is not permitted to compete in another contest until a physician certifies that the contestant is fully recovered.

(u) An individual who meets all of the following does not compete as a contestant:

(i) He or she participated in multiple contests before the event.

(ii) In any 90-day period, he or she was knocked out in 2 contests or 2 of his or her contests were stopped and a physician recommended neurological testing under subdivision (q) after any of those contests.

(iii) The second knockout or stoppage described in subparagraph (ii) occurred in the 120-day period preceding the event.

(v) An individual who meets all of the following does not compete as a contestant:

(i) He or she participated in multiple contests before the event.

(ii) In any 12-month period, he or she was knocked out in 3 consecutive contests or 3 consecutive contests were stopped and a physician recommended neurological testing under subdivision (q) after any of those contests.

(iii) The third knockout or stoppage described in subparagraph (ii) occurred in the 1-year period preceding the event.

(w) If an individual was not allowed to compete as a contestant in an earlier event because he or she met the requirement of subdivision (t), (u), or (v) at the time of that earlier event, he or she does not compete as a contestant unless he or she provides the promoter with proper medical clearance.

(x) Each contestant is at least 18 years of age.

(y) A contestant does not compete in more than 1 contest at an event.

(z) All of the contestants in a contest are the same gender.

(aa) An individual does not participate as a contestant if he or she participated in another contest in the 7-day period preceding the event.

(bb) The results of each contest are reported to the department, on a form prescribed by the department, within 48 hours after the conclusion of the event. The report shall include any physician recommendations under subdivision (q). Within 2 business days after it receives those results, the department shall enter those results in each national contest results database selected by the department.

(cc) In a professional event, that tickets sold by contestants are not a factor in determining the amount of the purse.

(dd) If a mixed martial arts contest is a cage fight, the referee conducts a safety inspection of the cage before the contest.

Sec. 55. (1) A promoter shall insure each contestant who competes in a contest for at least \$50,000.00 for medical and hospital expenses related to injuries sustained in the contest or event, payable to the contestant, and for at least \$50,000.00 if the contestant dies as a result of injuries received in a contest or event, with the proceeds payable to the contestant's estate.

(2) A promoter shall pay the policy premium and deductible regarding any medical or hospital expenses for a contestant's injuries.

Sec. 57. (1) A licensed physician shall attend each contest. The physician shall observe the physical condition of the contestants and advise the referee or judges with regard to the health of those contestants. The physician shall examine each contestant before he or she enters the ring.

(2) The physician described in subsection (1) shall file with the commission the report of the physical examination of each contestant within 24 hours after the contest or event ends.

(3) If, in the opinion of a physician described in subsection (1), the health or safety of a contestant requires the termination of the contest in which he or she is competing, the physician shall notify the referee and the referee shall terminate the contest.

Sec. 58. (1) If a contestant loses consciousness during or as a result of a contest in which he or she competes, he or she is not eligible to participate in another contest in this state until he or she is examined by a physician appointed by the commission and that physician certifies the contestant's fitness to participate in that contest.

(2) The contestant shall pay the cost of the examination conducted under subsection (1).

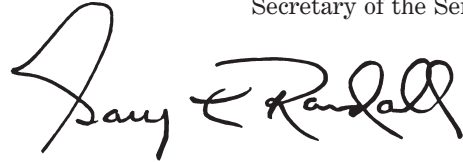
Enacting section 1. Sections 32, 51, 52, 53, 54, 56, 60, 61, 62, and 63 of the Michigan unarmed combat regulatory act, 2004 PA 403, MCL 338.3632, 338.3651, 338.3652, 338.3653, 338.3654, 338.3656, 338.3660, 338.3661, 338.3662, and 338.3663, are repealed.

Enacting section 2. This amendatory act takes effect 90 days after the date it is enacted into law.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved

.....
Governor