

Act No. 300  
Public Acts of 2016  
Approved by the Governor  
October 3, 2016  
Filed with the Secretary of State  
October 4, 2016  
EFFECTIVE DATE: January 2, 2017

**STATE OF MICHIGAN  
98TH LEGISLATURE  
REGULAR SESSION OF 2016**

**Introduced by Reps. Lucido, Kesto and Tedder**

# **ENROLLED HOUSE BILL No. 5496**

AN ACT to amend 2004 PA 403, entitled “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,” by amending section 33 (MCL 338.3633), as amended by 2015 PA 183.

*The People of the State of Michigan enact:*

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 licensed or certified, or was previously licensed or certified, by the commission on law enforcement standards under the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.601 to 28.615.

(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).

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted into law.

Enacting section 2. This amendatory act does not take effect unless Senate Bill No. 92 of the 98th Legislature is enacted into law.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved .....

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Governor