Act No. 146
Public Acts of 2017
Approved by the Governor
November 2, 2017
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EFFECTIVE DATE: January 31, 2018

## STATE OF MICHIGAN 99TH LEGISLATURE REGULAR SESSION OF 2017

**Introduced by Senator Robertson** 

## ENROLLED SENATE BILL No. 370

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 sections 20, 30, 33, 33a, 47, 48, and 54a (MCL 338.3620, 338.3630, 338.3633, 338.36347, 338.3648, and 338.3654a), sections 20, 30, 47, and 48 as amended and sections 33a and 54a as added by 2015 PA 183 and section 33 as amended by 2016 PA 300.

## The People of the State of Michigan enact:

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(9) 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. 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.
- 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 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 shall weigh in each contestant.
  - (d) An inspector shall tabulate the scores of each contest.
  - (e) An inspector shall approve each contestant's hand wraps before a contest.
  - (f) An inspector shall monitor the actions of each individual who assists a contestant during the contest.
  - (g) 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.
  - (iv) Was previously approved as an inspector by the department.
  - (v) Is approved by the department.

- (h) 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.
- (i) An inspector shall receive reasonable compensation, and reimbursement of his or her actual and necessary travel expenses, for attending an event.
  - (j) The promoter of an event is responsible for payment of an inspector for that event under subdivision (i).
- 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)(aa), 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.
  - (5) An individual shall not receive a contestant license under this section unless he or she is at least 18 years of age.
- 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 within 30 days after a change occurs.
  - (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 professional contest or event, the occurrence of a professional contest or event, or any other action taken in conjunction with a professional contest or 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 under this act that relates to the preparation for an amateur contest or event, the occurrence of an amateur contest or event, or any other action taken in conjunction with an amateur contest or event, the commission may assess an administrative fine in an amount that does not exceed \$10,000.00.
- (d) 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. 54a. (1) A licensed promoter that presents an unarmed combat event in this state must comply with all of the following:
- (a) At least 30 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)(k), 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)(j), 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 alternate ambulance provider 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)(*l*). 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)(l). 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. The department by rule shall establish weight classes for contestants.
- (f) An individual does not compete as a contestant unless he or she submits to the department 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.
- (g) An individual does not compete as a contestant unless he or she submits to the department the results of an ophthalmologic exam that was performed by a licensed optometrist or ophthalmologist within the 12-month period that precedes the contest or event that indicate that the contestant is medically cleared to fight. The individual shall submit the results on a form prescribed by the department.
- (h) A female individual does not compete as a contestant unless she submits to the department 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.
  - (i) An individual is not allowed to compete as a contestant without proper medical clearance.

- (j) 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.
  - (k) The event does not take place or continue without a physician at the event.
- (l) The event does not take place or continue without an inspector and a trained and competent referee, judge, and timekeeper.
- (m) 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.
  - (n) A professional is not allowed to compete as a contestant in an amateur contest.
- (o) 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.
- (p) 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.
- (q) If a physician recommended that the contestant not compete for a period of time under subdivision (p)(i), that contestant does not compete in another contest during that time period.
- (r) If a physician recommended further neurological examination of a contestant under subdivision (p)(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.
- (s) 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.
  - (t) 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 (p) after any of those contests.
- (iii) The second knockout or stoppage described in subparagraph (ii) occurred in the 120-day period preceding the event.
  - (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 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 (p) after any of those contests.
- (iii) The third knockout or stoppage described in subparagraph (ii) occurred in the 1-year period preceding the event.
- (v) If an individual was not allowed to compete as a contestant in an earlier event because he or she met the requirement of subdivision (s), (t), or (u) 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.
  - (w) Each contestant is at least 18 years of age.
  - (x) A contestant does not compete in more than 1 contest at an event.
  - (y) All of the contestants in a contest are the same gender.
- (z) An individual does not participate as a contestant if he or she participated in another contest in the 7-day period preceding the event.
- (aa) 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 (p). 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.
  - (bb) In a professional event, that tickets sold by contestants are not a factor in determining the amount of the purse.
- (cc) If a mixed martial arts contest is a cage fight, the referee conducts a safety inspection of the cage before the contest.

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

This act is ordered to take immediate effect.

This act is ordered to take inimediate effect.	My T Colb
	Secretary of the Senate
	Clerk of the House of Representatives
Approved	
Governor	