

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 2454

SPONSOR: Committee on Regulated Industries and Senator Sebesta

SUBJECT: State Athletic Commission

DATE: March 30, 1999 REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|---------------|----------------|-----------|---------------------|
| 1. | <u>Wiehle</u> | <u>Guthrie</u> | <u>RI</u> | <u>Favorable/CS</u> |
| 2. | _____ | _____ | <u>CM</u> | _____ |
| 3. | _____ | _____ | _____ | _____ |
| 4. | _____ | _____ | _____ | _____ |
| 5. | _____ | _____ | _____ | _____ |

I. Summary:

The bill provides for the administration of the State Athletic Commission, including the following:

- Commission members are accountable to the Governor for the proper performance of duties and the Governor may have a commissioner investigated and may remove a commissioner for specified grounds.
- The Department of Business and Professional Regulation (Department) is to provide all necessary legal and investigative services.
- Duties of the commission include the development of an ethical code of conduct for commissioners, commission staff, and commission officials.
- Compensation for commissioners is increased from \$25 for each day of attendance at a commission meeting to \$50 for each day of attendance.
- Authority for branch commission offices is deleted.
- The commission's executive officer is to be an executive director employed by the Department, not the commission.
- The Department is to submit an annual balanced legislative budget based upon anticipated revenue.
- The commission is to require electronic recording of all scheduled commission proceedings.

The bill also increases the amount of the bond that a foreign copromoter must file from \$3,000 to \$15,000 and requires that promoters file the bond as well. The bill deletes a \$10 filing fee on the filing of each bond.

The bill substantially amends the following sections of the Florida Statutes: 548.002, 548.003, 548.004, 548.006, 548.007, 548.008, 548.014, 548.025, 548.041, 548.042, 548.043, 548.045, 548.046, 548.05, 548.053, 548.054, 548.057, 548.071, and 548.077.

II. Present Situation:

Chapter 548, F.S., provides for the regulation of pugilistic exhibitions, or boxing and kickboxing matches. The chapter creates the State Athletic Commission under the Department of Business and Professional Regulation. The Commission is, however, autonomous as the chapter does not provide for any accountability of the Commission to the Department.

The Commission consists of five members, appointed by the Governor and confirmed by the Senate. Each Commissioner is to receive compensation of \$25 for each day of attendance at a Commission meeting and to be reimbursed for other expenses. The Commission is to employ an executive secretary, who is to receive a salary to be fixed by the Commission with the approval of the Governor. Additionally, the Commission may appoint deputies, whose compensation is to be the same as that of the Commissioners. The Commission is to maintain an office in Tallahassee and any necessary branch offices.

The Commission is to administer chapter 548, F.S., and to license promoters and foreign copromoters, professional participants, managers, trainers, seconds, timekeepers, referees, judges, announcers, physicians, matchmakers, and booking agents or representatives of a booking agent. By statute, the license fees for a promoter or matchmaker cannot exceed \$500 and the license fees for any other license cannot exceed \$100. The Commission is to discipline all licensees. It may impose an administrative fine of not more than \$5,000 for any violation of the chapter.

The Commission is to establish weight classes, assign a physician to each match, and adopt rules governing the form and content of contracts between promoters, foreign copromoters, and professionals.

The Commission is to issue a permit for each program of matches. It is to set permit fees based on seating capacity of the premises where the program is to be presented. With a seating capacity of less than 2,000 persons, the fee cannot exceed \$50; with a seating capacity of more than 2,000 but less than 5,000 persons, the fee cannot exceed \$100; and, with a seating capacity of over 5,000 persons, the fee cannot exceed \$250.

A promotor of a match must file with the Commission a written report that indicates the number of tickets sold, the amount of gross receipts, and any other facts the Commission may require. Total gross receipts include: the gross price charged for the sale or lease of broadcasting, television, and motion picture rights, the promotor's portion of the receipts from the sale of souvenirs, programs, and other concessions, and the face value of all tickets sold and complimentary tickets issued. The promotor must include with the report a tax payment in the amount of 5 percent of the total gross receipts.

Additionally, each person or club that holds or shows any boxing or sparring matches on a closed circuit telecast must file with the Commission a written report that states the exact number of

tickets sold and the amount of gross receipts. The person or club also must pay a tax of 5 percent of its total gross receipts.

All fees, fines, forfeitures, and other moneys collected under the provisions of the chapter are to be paid by the Commission to the State Treasurer who, after paying the Commission expenses, is to deposit the remainder in the Professional Regulation Trust Fund to be used for the administration and operation of the commission and to enforce the laws and rules under its jurisdiction. In the event the unexpended balance of the money collected exceeds \$250,000, any excess of that amount must be deposited in the General Revenue Fund.

III. Effect of Proposed Changes:

Section 1 amends s. 548.002, F.S., to define “Department” to mean the Department of Business and Professional Regulation and to define “Secretary” to mean the Secretary of that department.

Section 2 amends s. 548.003, F.S., to provide for transition of the members of the State Athletic Commission. A commissioner whose term has expired continues to serve until a replacement is appointed. If a vacancy occurs prior to expiration of the term, it is to be filled in the same manner as an original appointment.

The bill provides for the administration of the commission. The duties of the commission include the development of an ethical code of conduct for commissioners, commission staff, and commission officials. The authority for branch commission offices is deleted. A vice chair must be selected. If a commissioner has three consecutive unexcused absences or absences constituting 50 percent of the meetings within a 12 month period, the commissioner’s membership becomes void and the position is considered vacant. Each commission member is accountable to the Governor for the proper performance of duties. The Governor may have a commissioner investigated and may remove a commissioner for specified grounds. The Department is to provide all necessary legal and investigative services.

The bill increases the compensation for commissioners from \$25 for each day of attendance at a commission meeting to \$50 for each day of attendance.

Section 3 amends s. 548.004, F.S., to provide for the commission’s executive officer. The bill changes the title of this person from executive secretary to executive director. The executive director is to be employed by the Department, not the commission. The director’s duties are to include appointment of judges, referees, and other officials, and such other duties as the Department directs. The commission is to require electronic recording of all scheduled commission proceedings. The Department is to submit an annual balanced legislative budget based upon anticipated revenue.

Section 4 amends s. 548.006, F.S., to provide that matches are to be held in accordance with rules.

Section 5 amends s. 548.007, F.S., to except s. 548.008, F.S., from the statement of inapplicability to amateur matches, thus clarifying that the prohibition on toughman and badman matches applies to both professional and amateur matches.

Section 6 amends s. 548.008, F.S., to clarify within that section that the prohibition on toughman or badman matches applies to both professional and amateur matches.

Section 7 amends s. 548.014, F.S., to increase the amount of the bond that a foreign copromoter must file from \$3,000 to \$15,000. The bill also applies the bond requirement to promoters. The bill deletes requirements that the Department of Legal Affairs approve the form of the bond and the sufficiency of any surety. The bill deletes a \$10 filing fee on the filing of each bond.

Section 8 amends s. 548.025, F.S., to delete authority for the commission to issue licenses free of charge for referees and physicians to officiate only at amateur matches.

Section 9 amends s. 548.041, F.S., to delete unnecessary language. Section 548.007, F.S., provides that sections 548.001-548.079, F.S., do not apply to amateur matches. As such, the exclusion in section 548.041, F.S., for amateur matches is redundant and unnecessary.

Section 10 amends s. 548.042, F.S., to delete language referring to amateur matches.

Section 11 amends s. 548.043, F.S., to provide for commission rules on fighter weights and glove weights. The bill increases the maximum weight difference between match participants from 10 pounds to 12 pounds. The bill increases the minimum glove weight from 6 to 8 ounces.

Section 12 amends s. 548.045, F.S., to decrease the term of service on the five-member medical advisory council (appointed by the Governor) from 4 years to 2 years.

Section 13 amends s. 548.046, F.S., to require that each match participant be examined by a physician at the time of weigh-in instead of within 12 hours before entering the ring, and to require that a report of the results of the examination be filed with the commission prior to completion of the weigh-in.

Section 14 amends s. 548.05, F.S., to specify that the reference to the State Athletic Commission is a reference to the Florida State Athletic Commission.

Section 15 amends s. 548.053, F.S., to provide that promoters are to retain a statement of the distribution of the purse for a period specified by the commission, to be provided to the commission upon demand, not to file the statement with the commission.

Section 16 amends s. 548.054, F.S., to provide that, instead of withholding a purse or other funds payable to a participant under specified circumstances, the promoter is to surrender the funds to the commission.

Section 17 amends s. 548.057, F.S., to provide that match judges are to be appointed by the executive director, with the consent of the commission. Also, the commission is to ensure that all match officials are licensed in this state, are qualified under commission rules, and that no sanctioning organization or promoter has influenced the appointment of any official.

Sections 18 and 19 amend ss. 548.071 and 548.077, F.S., to specify that references to the State Athletic Commission is a reference to the Florida State Athletic Commission.

Section 20 provides that the bill takes effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill increases the amount of the bond that a foreign copromoter must file from \$3,000 to \$15,000. It also creates a requirement that promoters file such a bond.

C. Government Sector Impact:

The bill increases the compensation for commissioners from \$25 for each day of attendance at a commission meeting to \$50 for each day of attendance. The bill also deletes a filing fee of \$10 for each bond filed with the commission. The impact of these changes is yet undetermined.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
