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PETE SUAZO UTAH ATHLETIC COMMISSION

2001 SECOND SPECIAL SESSION STATE OF UTAH

Sponsor: Ed P. Mayne

Gene Davis

This act modifies the Utah Professional Athletic Commission Act by renaming the commission in honor of Pete Suazo. The act also repeals the gross receipts tax on broadcast revenues and the ticket fee for funding amateur boxing. The act removes professional wrestling from the jurisdiction of the commission.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

13-33-101, as enacted by Chapter 91, Laws of Utah 2001

13-33-102, as enacted by Chapter 91, Laws of Utah 2001

13-33-201, as enacted by Chapter 91, Laws of Utah 2001

13-33-304, as enacted by Chapter 91, Laws of Utah 2001

13-33-502, as enacted by Chapter 91, Laws of Utah 2001

REPEALS:

13-33-501, as enacted by Chapter 91, Laws of Utah 2001

Be it enacted by the Legislature of the state of Utah:

Section 1. Section 13-33-101 is amended to read:

CHAPTER 33. PETE SUAZO UTAH ATHLETIC COMMISSION ACT 13-33-101. Title.

This chapter is known as the "[Utah Professional] Pete Suazo Utah Athletic Commission Act."

Section 2. Section 13-33-102 is amended to read:

13-33-102. **Definitions.**

As used in this chapter:

- (1) "Bodily injury" means as defined in Section 76-1-601.
- (2) "Commission" means the Pete Suazo Utah [Professional] Athletic Commission created

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in this chapter.

(3) "Contest" means a live match, performance, or exhibition involving persons engaged in unarmed combat.

- (4) "Contestant" means an individual who participates in a contest for a cash purse in any amount or for a noncash purse with more than nominal value as defined by rule.
 - (5) "Department" means the Department of Commerce.
- (6) "Director" means the director of the <u>Pete Suazo</u> Utah [Professional] Athletic Commission.
 - (7) "Executive director" means the executive director of the Department of Commerce.
- (8) "Exhibition" means an engagement in which the participants show or display their skills without necessarily striving to win.
 - (9) "Judge" means an individual qualified by training or experience to:
 - (a) rate the performance of contestants;
 - (b) score a contest; and
- (c) determine with other judges whether there is a winner of the contest or whether the contestants performed equally resulting in a draw.
- (10) "Manager" means an individual who represents a contestant for the purposes of obtaining matches, negotiating terms and conditions of the contract under which the contestant will engage in a contest, or arranging for a second for the contestant at a contest.
- (11) "Promoter" means a person who engages in producing or staging contests and promotions.
- (12) "Promotion" means a single contest or a combination of contests that occur during the same time at the same location and that is produced or staged by a promoter.
- (13) (a) "Purse" means any money, prize, remuneration, or any other valuable consideration a contestant receives or may receive for participation in a contest.
- (b) "Purse" does not mean a trophy, medal, or similar object of nominal value as defined by rule that is received for participation in a contest.
 - (14) "Referee" means an individual qualified by training or experience to act as the official

attending a contest at the point of contact between contestants for the purpose of:

- (a) enforcing the rules relating to the contest;
- (b) stopping the contest in the event the health, safety, and welfare of a contestant or any other person in attendance at the contest is in jeopardy; and
 - (c) to act as a judge if so designated by the commission.
- (15) "Second" means an individual who attends a contestant at the site of the contest before, during, and after the contest in accordance with contest rules.
 - (16) "Serious bodily injury" is as defined in Section 76-1-601.
- (17) "Total gross receipts" means the amount of the face value of all tickets sold to a particular contest plus any sums received as consideration for holding the contest at a particular location.
 - (18) "Ultimate fighting match" means a live match in which:
 - (a) an admission fee is charged;
- (b) match rules permit contestants to use a combination of boxing, kicking, wrestling, hitting, punching, or other combative, contact techniques; and
 - (c) match rules do not:
- (i) incorporate a formalized system of combative techniques against which a contestant's performance is judged to determine the prevailing contestant;
- (ii) divide a match into two or more equal and specified time periods for a match total of no more than 50 minutes; or
 - (iii) prohibit contestants from:
- (A) using anything that is not part of the human body, except for boxing gloves, to intentionally inflict serious bodily injury upon an opponent through direct contact or the expulsion of a projectile;
- (B) striking a person who demonstrates an inability to protect himself from the advances of an opponent;
 - (C) biting; or
 - (D) direct, intentional, and forceful strikes to the eyes, groin area, adam's apple area of the

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neck, and temple area of the head.

(19) (a) "Unarmed combat" means boxing[, wrestling,] or any form of competition in which a blow is usually struck which may reasonably be expected to inflict bodily injury.

- (b) "Unarmed combat" does not include a competition or exhibition between participants in which the participants engage in simulated combat for entertainment purposes.
- (20) "Unlawful conduct" means organizing, promoting, or participating in a contest which involves:
 - (a) contestants that are not licensed under this chapter; or
- (b) persons other than contestants, unless the contest is conducted in accordance with the standards and regulations of USA Boxing, Inc.
 - (21) "Unprofessional conduct" means:
 - (a) entering into a contract for a contest in bad faith;
 - (b) participating in any sham or fake contest;
- (c) participating in a contest pursuant to a collusive understanding or agreement in which the contestant competes in or terminates the contest in a manner that is not based upon honest competition or the honest exhibition of the skill of the contestant;
- (d) engaging in an act or conduct that is detrimental to a contest, including any foul or unsportsmanlike conduct in connection with a contest;
 - (e) failing to comply with any limitation, restriction, or condition placed on a license; or
 - (f) as further defined by rule by the commission.

Section 3. Section 13-33-201 is amended to read:

13-33-201. Commission -- Creation -- Appointments -- Terms -- Expenses -- Quorum.

- (1) There is created within the Department of Commerce the <u>Pete Suazo</u> Utah [<u>Professional</u>] Athletic Commission consisting of five members.
 - (2) (a) The commission members shall be appointed by the executive director.
 - (b) The commission members may not be licensees under this chapter.
- (c) The names of all persons appointed to the commission shall be submitted to the governor for confirmation or rejection.

- (3) (a) Except as required by Subsection (3)(b), as terms of current members expire, the executive director shall appoint each new member or reappointed member to a four-year term.
- (b) Notwithstanding the requirements of Subsection (3)(a), the executive director shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the terms of members are staggered so that approximately half of the commission is appointed every two years.
- (c) A member may not serve more than two consecutive terms, and a member who ceases to serve on the commission may not serve again on the commission until after the expiration of a two-year period beginning from that cessation of service.
- (d) (i) When a vacancy occurs in the membership for any reason, the replacement shall be appointed for the unexpired term.
- (ii) After filling that term, the replacement member may be appointed for only one additional full term.
- (e) If a commission member fails or refuses to fulfill the responsibilities and duties of a commission member, including the attendance at commission meetings, the executive director, with the approval of the commission, may remove the commission member and replace the member in accordance with this section.
- (4) A majority of the commission members constitutes a quorum. A quorum is sufficient authority for the commission to act.
- (5) (a) (i) Members who are not government employees shall receive no compensation or benefits for their services, but may receive per diem and expenses incurred in the performance of the member's official duties at the rates established by the Division of Finance under Sections 63A-3-106 and 63A-3-107.
 - (ii) Members may decline to receive per diem and expenses for their service.
- (b) (i) State government officer and employee members who do not receive salary, per diem, or expenses from their agency for their service may receive per diem and expenses incurred in the performance of their official duties at the rates established by the Division of Finance under Sections 63A-3-106 and 63A-3-107.
 - (ii) State government officer and employee members may decline to receive per diem and

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expenses for their service.

(6) The commission shall annually designate one of its members to serve as chair for a one-year period.

Section 4. Section 13-33-304 is amended to read:

13-33-304. Additional fee for license of promoter.

- (1) In addition to the payment of any other fees and money due under this chapter, every promoter shall pay a license fee of [: (a) 4%] 5% of the total gross receipts from admission fees to each live contest or exhibition, exclusive of any other state or federal tax or tax imposed by any political subdivision of this state [; and].
- [(b) 4% of the total gross receipts from the sale, lease, or other exploitation of broadcasting, television, and motion picture rights for each contest or exhibition.]
- (2) The [fees] fee due under Subsection (1) shall be calculated without any deductions for commissions, brokerage fees, distribution fees, advertising, contestants' purses, or any other expenses or charges.
 - (3) The commission shall adopt rules:
 - (a) requiring that the number and face value of all complimentary tickets be reported; and
- (b) governing the treatment of complimentary tickets for the purposes of computing gross receipts from admission fees under Subsection (1)[(a)].

Section 5. Section 13-33-502 is amended to read:

13-33-502. Reports to commission.

- (1) Every promoter shall, within [10] ten days after the completion of any contest or exhibition for which an admission fee is charged, furnish to the commission a verified written report showing:
 - (a) the number of tickets sold or issued for the contest or exhibition;
- (b) the amount of the [: (i)] gross receipts from admission fees without any deductions for commissions, brokerage fees, distribution fees, advertising, contestants' purses, or any other expenses

or charges; and

(ii) gross receipts derived from the sale, lease, or other exploitation of broadcasting, motion

picture, and television rights of such contest or exhibition without any deductions for commissions, brokerage fees, distribution fees, advertising, contestants' purses, or any other expenses or charges; and]

- (c) any other matters prescribed by rule.
- (2) The promoter shall, at the same time as submitting the report required by Subsection (1), pay to the commission the [fees] fee required by [Sections] Section 13-33-304 [and 13-33-501].

Section 6. Repealer.

This act repeals:

Section 13-33-501, Additional fee for funding of amateur boxing.