

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 374
Committee Substitute Favorable 3/26/01
Committee Substitute #2 Favorable 4/17/01

Short Title: State Boxing Commission-AB.

(Public)

Sponsors:

Referred to:

March 1, 2001

A BILL TO BE ENTITLED

AN ACT TO GRANT THE STATE BOXING COMMISSION THE AUTHORITY TO
REGULATE WRESTLING AND MIXED MARTIAL ARTS EVENTS, TO
AMEND THE LAWS REGULATING BOXING, AND TO ALLOW THE
COMMISSION TO INCREASE CERTAIN FEES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143-650 reads as rewritten:

"§ 143-650. **Legislative findings and declarations.**

The General Assembly finds and declares to be the public policy of this State that it is in the best interest of the public ~~and of boxing that boxing~~ that boxing, kickboxing, toughman, wrestling, and mixed martial arts matches should be subject to an effective and efficient system of strict control and regulation in order to:

- (1) Protect the safety and well-being of participants ~~in boxing; and~~ and the public.
- (2) Promote the public confidence and trust in the regulatory process and the conduct of ~~boxing these matches.~~

To further the public confidence and trust, the provisions of this Article are designed to regulate all persons, practices, and associations related to the operation of any live ~~boxing~~ boxing, kickboxing, toughman, wrestling, or mixed martial arts event, performance, or contest held in North Carolina."

SECTION 2. G.S. 143-651 reads as rewritten:

"§ 143-651. **Definitions.**

The following definitions apply in this Article:

- (1) Amateur. – A person who is not receiving or competing for and has never received or competed for any purse or other article or thing of value for participating in a match.
- (2) Announcer. – Any person who engages in the act of announcing a ~~boxing~~ match.

- 1 (3) Boxer. – Any person who engages as a participant in a boxing match.
- 2 (4) Boxing match. – A match where the participants engage in the use of
- 3 full contact boxing techniques (using the fist only), and where the
- 4 object of a match is to win by decision, knockout (KO), or technical
- 5 knockout (TKO).
- 6 (5) Commission. – The North Carolina State Boxing Commission.
- 7 (6) Contest. – A ~~boxing~~ match in which the participants strive to win.
- 8 (7) Contestant. – Any person who engages as a participant in a ~~boxing~~
- 9 boxing, kickboxing, toughman, wrestling, or mixed martial arts match.
- 10 (8) Exhibition. – A ~~boxing~~ match where the participants display their
- 11 ~~boxing~~ skills and technique without necessarily striving to win.
- 12 (9) Judge. – A person who has a vote in determining the winner of any
- 13 match or contest.
- 14 (10) Kickboxer. – Any person who engages as a participant in a kickboxing
- 15 match.
- 16 (11) Kickboxing match. – A match in which the participants engage in full
- 17 contact martial arts fighting techniques using the hands and the feet,
- 18 and where the object of the match is to win by decision, knockout
- 19 (KO), or technical knockout (TKO).
- 20 (12) Licensee. – Any person, club, corporation, organization, or association
- 21 to whom a license has been issued pursuant to the provisions of this
- 22 Article.
- 23 (13) Manager. – Any person who controls or administers the ~~boxing~~
- 24 boxing, kickboxing, toughman, wrestling, or mixed martial arts affairs
- 25 of any contestant, and who:
- 26 a. By contract, agreement, or other arrangement with any person
- 27 undertakes or has undertaken to represent in any way the
- 28 interest of the contestant in any ~~professional boxing~~ contest in
- 29 which the ~~boxer~~ boxer, kickboxer, wrestler, or mixed martial
- 30 arts contestant is to participate as a contestant, and is entitled
- 31 under that contract, agreement, or arrangement to receive
- 32 monetary or other compensation for his services, without regard
- 33 to the sources of the compensation. The term "manager" shall
- 34 not be construed to mean any attorney licensed to practice in
- 35 this State whose participation in the activities is restricted solely
- 36 to representing the interests of a ~~professional boxer~~ participant
- 37 as a client.
- 38 b. Directs or controls the ~~professional boxing~~ activities of any
- 39 ~~professional boxer~~ participant.
- 40 c. Receives or is entitled to receive a percentage of the gross purse
- 41 or gross income of any ~~professional boxing contest~~ participant
- 42 in a match.

- 1 (14) Match. – Any ~~boxing or kickboxing~~ boxing, kickboxing, toughman,
2 wrestling, or mixed martial arts contest or exhibition, and includes any
3 event, engagement, sparring or practice session, show or program
4 where the public is admitted and in which there is intended to be
5 physical contact, whether an exhibition or contest. This definition does
6 not include training or practice sessions when no admission is charged.
- 7 (15) Matchmaker. – A person through whom matches are arranged for
8 participants and who otherwise assists participants in procuring
9 engagement dates for ~~boxing a match.~~
- 10 (15a) Mixed martial arts contestant. – Any person who competes or
11 participates in a mixed martial arts match.
- 12 (15b) Mixed martial arts match. – A match where the participants engage in
13 full contact martial arts techniques, and a fee for viewing the match is
14 charged or solicited, or a purse or prize is awarded to the contestant.
- 15 (16) Natural person. – An individual.
- 16 (17) Participant. – Any person who engages in a ~~match or exhibition and~~
17 ~~performs as a boxer.~~ match.
- 18 (18) Person. – An individual, group of individuals, business, corporation,
19 limited liability company, partnership, or any other individual or
20 collective entity.
- 21 (19) Physician. – An individual licensed to practice medicine in this State.
- 22 (20) Professional. – Any person who is licensed as a professional boxer
23 under the federal Professional Boxing Safety Act of 1996.
- 24 (21) Promoter. – Any person who produces, arranges, stages, holds, or
25 gives any match in North Carolina involving a professional participant.
- 26 (22) Referee. – The official who shall enter and remain in the ring for the
27 duration of a match and shall enforce the rules and maintain order in
28 the ring.
- 29 (23) Ring official. – Any person who performs an official function for the
30 duration of a match.
- 31 (23a) Sanctioned amateur. – A person who competes in a sanctioned amateur
32 match.
- 33 (23b) Sanctioned amateur match. – Any boxing or kickboxing match
34 regulated by an amateur sports organization that has been recognized
35 and approved by the North Carolina State Boxing Commission.
- 36 (24) Second. – Any person who will work or be present in the corner of a
37 participant for the duration of a match.
- 38 (25) Timekeeper. – Any person who will operate the clock or watch for the
39 duration of a match for the purpose of keeping the official time of the
40 match.
- 41 (25a) Toughman contestant. – Any person who competes in a toughman
42 event.

1 (25b) Toughman event. – An elimination program of matches in which (i)
2 the contestants are not professional boxers, (ii) the finalist receives a
3 purse or other article of value, (iii) the participants engage in the use of
4 full contact boxing techniques, and (iv) the object of each match is to
5 win by decision, knockout (KO), or technical knockout (TKO).

6 (25c) Wrestling contestant. – Any person who competes or participates in a
7 wrestling event.

8 (25d) Wrestling match. – A match where the participants engage in full
9 contact wrestling techniques, and a fee for viewing the match is
10 charged or solicited, or a purse or prize is awarded to the contestant.

11 (26) Ultimate warrior match. – A match where the participants use any
12 combination of boxing, kicking, wrestling, hitting, punching, or other
13 combative, contact techniques and which combination of techniques is
14 not specifically authorized by and conducted pursuant to this Article."

15 **SECTION 3.** G.S. 143-652 reads as rewritten:

16 **"§ 143-652. State Boxing Commission.**

17 (a) Creation. – The North Carolina State Boxing Commission is created within
18 the Department of Crime Control and Public Safety to regulate in North Carolina live
19 ~~boxing and kickboxing~~ boxing, kickboxing, toughman, wrestling, or mixed martial arts
20 matches, whether professional, amateur, sanctioned amateur, or toughman events, in
21 which admission is charged for viewing, or the contestants compete for a purse or prize
22 of value greater than twenty-five dollars (\$25.00). The Commission shall consist of six
23 voting members and two nonvoting advisory members. All the members shall be
24 residents of North Carolina and shall meet requirements for membership under the
25 Professional Boxing Safety Act of 1996. The members shall be appointed as follows:

26 (1) One voting member shall be appointed by the Governor for an initial
27 term of two years.

28 (2) One voting member shall be appointed by the General Assembly upon
29 the recommendation of the President Pro Tempore of the Senate for an
30 initial term of one year, in accordance with G.S. 120-121.

31 (3) One voting member shall be appointed by the General Assembly upon
32 the recommendation of the Speaker of the House of Representatives
33 for an initial term of one year.

34 (4) Two voting members shall be appointed by the Secretary of Crime
35 Control and Public Safety. One shall serve for an initial term of three
36 years, and the other shall serve for an initial term of two years.

37 (4a) One member shall be appointed by the Tribal Council of the Eastern
38 Band of the Cherokee for an initial term of three years.

39 (5) One nonvoting advisory member shall be appointed by the General
40 Assembly upon the recommendation of the Speaker of the House of
41 Representatives for an initial term of one year, in accordance with G.S.
42 120-121, from nominations made by the North Carolina Medical
43 Society, which shall nominate two licensed physicians for the position.

- 1 (6) One nonvoting advisory member shall be appointed by the General
2 Assembly upon the recommendation of the President Pro Tempore of
3 the Senate for an initial term of one year, in accordance with G.S.
4 120-121, from nominations made by the North Carolina Medical
5 Society, which shall nominate two licensed physicians for the position.

6 The member appointed pursuant to subdivision (5) of subsection (a) of this section
7 may serve on the Commission only if an agreement exists and remains in effect between
8 the Tribal Council of the Eastern Band of the Cherokee and the Commission authorizing
9 the Commission to regulate professional boxing matches within the Cherokee Indian
10 Reservation as provided by the Professional Boxing Safety Act of 1996.

11 The two nonvoting advisory members appointed pursuant to subdivisions (6) and (7)
12 of subsection (a) of this section shall advise the Commission on matters concerning the
13 health and physical condition of boxers and health issues relating to the conduct of
14 exhibitions and boxing matches. They may prepare and submit to the Commission for
15 its consideration and approval any rules that in their judgment will safeguard the
16 physical welfare of all participants engaged in boxing.

17 Terms for all members of the Commission except for the initial appointments shall
18 be for three years.

19 The Secretary of Crime Control and Public Safety shall designate which member of
20 the Commission is to serve as chair. A member of the Commission may be removed
21 from office by the Secretary of Crime Control and Public Safety. Each member before
22 entering upon the duties of a member shall take and subscribe an oath to perform the
23 duties of the office faithfully, impartially, and justly to the best of the member's ability.
24 A record of these oaths shall be filed in the Department of the Secretary of Crime
25 Control and Public Safety.

26 (b) Vacancies. – Members shall serve until their successors are appointed and
27 have been qualified. Any vacancy in the membership of the Commission shall be filled
28 in the same manner as the original appointment. Vacancies for members appointed by
29 the General Assembly shall be filled in accordance with G.S. 120-122. A vacancy in the
30 membership of the Commission other than by expiration of term shall be filled for the
31 unexpired term only.

32 (c) Meetings. – Meetings of the Commission shall be called by the chair or by
33 any two members of the Commission, and meetings shall be held at least quarterly. Any
34 three voting members of the Commission shall constitute a quorum at any meeting.
35 Action may be taken and motions and resolutions adopted by the Commission at any
36 meeting by the affirmative vote of a majority of the members of the Commission
37 present at a meeting at which a quorum exists. Any or all members may participate in a
38 regular or special meeting by, or conduct the meeting through the use of, any means of
39 communication by which all members participating may simultaneously hear each other
40 during the meeting. A member participating in the meeting by this means is deemed to
41 be present in person at the meeting.

42 (d) Rule-Making Authority of the Commission. – The Commission shall have the
43 exclusive authority to approve and issue rules for the regulation of the conduct,

1 promotion, and performances of live boxing, kickboxing, wrestling, mixed martial arts,
2 sanctioned amateur, amateur, and toughman matches and exhibitions in this State. The
3 rules shall be issued pursuant to the provisions of Chapter 150B of the General Statutes
4 and may include, without limitation, the following subjects:

- 5 (1) Requirements for issuance of licenses and permits required by this
6 Article.
- 7 (2) Regulation of ticket sales.
- 8 (3) Physical requirements for contestants, including classification by
9 weight and skill.
- 10 (4) Supervision of matches and exhibitions by licensed physicians and
11 referees.
- 12 (5) Insurance and bonding requirements.
- 13 (6) Compensation of participants and licensees.
- 14 (7) Contracts and financial arrangements.
- 15 (8) Prohibition of dishonest, unethical, and injurious practices.
- 16 (9) Facilities.
- 17 (10) Approval of sanctioning amateur sports organizations.
- 18 (11) Procedures and requirements for compliance with the Professional
19 Boxing Safety Act of 1996.

20 (e) Compensation. – None of the members of the Commission shall receive
21 compensation for serving on the Commission. However, members of the Commission
22 may be reimbursed for their expenses in accordance with the provisions of Chapter 138
23 of the General Statutes.

24 (f) Staff Assistance. – The Secretary of Crime Control and Public Safety shall
25 hire a person to serve as Executive Director of the Commission and shall provide staff
26 assistance to the Executive Director. The Executive Director shall enforce this Article
27 through the Department of Crime Control and Public Safety. If necessary, the Executive
28 Director may train and contract with independent contractors for the purpose of
29 regulating and monitoring events, issuing licenses, collecting fees, and enforcing rules
30 of the Commission. The Executive Director may initiate and review criminal
31 background checks on persons requesting to work as independent contractors for the
32 Commission or persons applying to be licensed by the Commission."

33 **SECTION 4.** G.S. 143-653 reads as rewritten:

34 **"§ 143-653. Ultimate warrior matches prohibited.**

35 Ultimate warrior matches, whether the participants are professionals or amateurs, are
36 prohibited. No person shall promote, conduct, or engage in ultimate warrior matches.
37 This section shall not preclude ~~boxing and kickboxing~~ boxing, kickboxing, toughman,
38 wrestling, or mixed martial arts as regulated in this ~~Article or professional~~
39 ~~wrestling Article.~~"

40 **SECTION 5.** G.S. 143-654 reads as rewritten:

41 **"§ 143-654. Licensing and permitting.**

42 (a) License and Permit Required. – Except for sanctioned amateur matches, it is
43 unlawful for any person to act in this State as an announcer, contestant, judge, manager,

1 matchmaker, promoter, referee, timekeeper, or second unless the person is licensed to
2 do so under this Article. It is unlawful for a promoter to present a match in this State,
3 other than a sanctioned amateur match, unless the promoter has a permit issued under
4 this Article to do so. The Commission has the exclusive authority to issue, deny,
5 suspend, or revoke any license or permit provided for in this Article.

6 (b) License. – All licenses issued under this Article shall be valid only during the
7 calendar year in which they are issued, except contestant licenses shall be valid for one
8 year from the date of issuance. A license for an announcer, contestant, judge,
9 matchmaker, referee, timekeeper, or second shall be issued only to a natural person. A
10 natural person shall not transfer or assign a license or change it into another name. A
11 license for a manager or promoter may be issued to a corporation or partnership;
12 provided, however, that all officers or partners shall submit an application for individual
13 licensure, and only those officers or partners who are licensed shall be entitled to
14 negotiate or sign contracts. The addition of a new officer or partner during the license
15 period shall necessitate the filing of an application for individual licensure by the new
16 officer or partner.

17 An applicant for a license shall file with the Commission the appropriate
18 nonrefundable fee and any forms, documents, medical examinations, or exhibits the
19 Commission may require in order to properly administer this Article. The information
20 requested shall include the date of birth and social security number of each applicant as
21 well as any other personal data necessary to positively identify the applicant and may
22 include the requirement of verification of any documents the Commission deems
23 appropriate. A person may not participate under a fictitious or assumed name in any
24 match unless the person has first registered the name with the Commission. Any
25 applicant seeking licensure as a promoter shall provide major medical coverage from an
26 insurance company licensed by the State Department of Insurance to provide medical
27 insurance in this State in an amount not less than two thousand five hundred dollars
28 (\$2,500) for each fighter.

29 (b1) Upon payment of the required fee as provided in G.S. 143-655(a), the
30 Commission shall issue a federal identification card to each boxer as required by the
31 federal Professional Boxing Safety Act of 1996.

32 (b2) All promoters shall report all bout agreements and payments to officials to
33 the Commission.

34 (c) Surety Bond. – An applicant for a promoter's license must submit, in addition
35 to any other forms, documents, or exhibits requested by the Commission, a surety bond
36 payable to the Commission for the benefit of any person injured or damaged by (i) the
37 promoter's failure to comply with any provision of this Article or any rules adopted by
38 the Commission or (ii) the promoter's failure to fulfill the obligations of any contract
39 related to the holding of a ~~boxing event match~~. The surety bond shall be a cash bond or
40 be issued by a company licensed by the State Department of Insurance to do bond
41 business in this State in an amount to be no less than five thousand dollars (\$5,000). The
42 amount of the surety bond shall be negotiable upon the sole discretion of the

1 Commission. All surety bonds shall be upon forms approved by the Secretary of Crime
 2 Control and Public Safety and supplied by the Commission.

3 (d) Permit. – A permit issued to a promoter under this Article is valid for a single
 4 match. An applicant for a permit shall file with the Commission the appropriate
 5 nonrefundable fee and any forms or documents the Commission may require."

6 **SECTION 6.** G.S. 143-655 reads as rewritten:

7 "**§ 143-655. Fees; State Boxing Commission Revenue Account.**

8 (a) License Fees. – The Commission shall collect the following license fees:

9

10	Announcer	\$ 50.00
11	Contestant	\$ 25.00
12	Judge	\$ 50.00
13	Manager	\$100.00
14	Matchmaker	\$200.00
15	Promoter	\$300.00
16	Referee	\$ 50.00
17	Timekeeper	\$ 50.00
18	Second	\$ 25.00 \$ 25.00
19	Federal I.D. card	\$25.00

20 The annual license renewal fees shall not exceed the initial license fees.

21 (b) Permit Fees. – The Commission may establish a fee schedule for permits
 22 issued under this Article. The fees may vary depending on the seating capacity of the
 23 facility to be used to present a match. The fee may not exceed the following amounts:

24

25	Seating Capacity	Fee Amount
26	Less than 2,000	\$100.00 \$150.00
27	2,000 – 5,000	\$200.00 \$250.00
28	Over For each additional 5,000	\$300.00 \$350.00.

29 In addition to the permit fees required in this subsection, the Commission may charge a
 30 fee equal to ten percent (10%) of the total purse of each professional boxing event.

31 (b1) Exemption. – Any professional wrestling event solely organized, promoted,
 32 and managed by staff and volunteers of an exempt organization under section 501(c)(3)
 33 of the Code and for which a promoter or manager is not paid, shall be exempt from the
 34 fees imposed in this section.

35 (c) State Boxing Commission Revenue Account. – There is created the State
 36 Boxing Commission Revenue Account within the Department of Crime Control and
 37 Public Safety. ~~Moneys~~ Moneys collected pursuant to the provisions of this Article shall
 38 be credited to the Account and applied to the administration of the Article."

39 **SECTION 7.** G.S. 143-658 reads as rewritten:

40 "**§ 143-658. Violations.**

41 (a) Civil Penalties. – The Secretary of Crime Control and Public Safety may
 42 issue an order against a licensee or other person who willfully violates any provision of
 43 this ~~Article~~, Article or rules adopted by the Commission, imposing a civil penalty of up

1 to five thousand dollars (\$5,000) for a single violation or of up to twenty-five thousand
2 dollars (\$25,000) for multiple violations in a single proceeding or a series of related
3 proceedings. No order under this subsection may be entered without giving the licensee
4 or other person 15 days' prior notice and an opportunity for a contested case hearing
5 conducted pursuant to Article 3 of Chapter 150B of the General Statutes.

6 The clear proceeds of civil penalties imposed pursuant to this subsection shall be
7 remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

8 (b) Criminal Penalties. – A willful violation of any provision of this Article or
9 rules adopted by the Commission shall constitute a Class 2 misdemeanor. The Secretary
10 of Crime Control and Public Safety may refer any available evidence concerning
11 violations of this Article to the proper district attorney, who may, with or without such a
12 reference, institute the appropriate criminal proceedings.

13 (c) Injunction. – Whenever it appears to the Secretary of Crime Control and
14 Public Safety that a person has engaged or is about to engage in an act or practice
15 constituting a violation of any provision of this Article or any rule or order hereunder,
16 the Secretary of Crime Control and Public Safety may bring an action in any court of
17 competent jurisdiction to enjoin those acts or practices and to enforce compliance with
18 this Article or any rule or order issued pursuant to this Article.

19 (d) Repealed by Session Laws 1998-212, s. 19.11(e)."

20 **SECTION 8.** The North Carolina State Boxing Commission may adopt
21 temporary rules to implement this act.

22 **SECTION 9.** This act becomes effective January 1, 2002.