

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE DRS85172-LU-111 (03/12)

Short Title: Establish State Athletics Commission.

(Public)

Sponsors: Senator Clodfelter.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE NORTH CAROLINA STATE ATHLETICS COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. The regulation of boxing under the authority of the Alcohol Law Enforcement Division of the Department of Crime Control and Public Safety is transferred to the North Carolina State Athletics Commission established pursuant to Article 68A of Chapter 143 of the General Statutes, as enacted in Section 3 of this act, within the Department of Commerce, Division of Tourism, Film, and Sports Development, by a Type II transfer, as defined by G.S. 143A-6(b).

SECTION 2. Article 68 of Chapter 143 of the General Statutes is repealed.

SECTION 3. Chapter 143 of the General Statutes is amended by adding the following new Article to read:

"Article 68A.

"North Carolina State Athletics Commission.

"§ 143-659.1. 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 should be subject to an effective and efficient system of strict control and regulation to:

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

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 event, performance, or contest held in North Carolina.

"§ 143-659.2. 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.
- (3) Boxer. – Any person who engages as a participant in a boxing match.
- (4) Boxing match. – A match in which the participants engage in the use of full contact boxing techniques (using the fist only), and in which the object of a match is to win by decision, knockout (KO), or technical knockout (TKO).



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- 1 (5) Commission. – The North Carolina State Athletics Commission.
2 (6) Contest. – A boxing match in which the participants strive earnestly to win.
3 (7) Contestant. – Any person who engages as a participant in a boxing match.
4 (8) Division. – The Division of Tourism, Film, and Sports Development of the
5 Department of Commerce.
6 (9) Exhibition. – A boxing match in which the participants display their boxing
7 skills and technique without necessarily striving to win.
8 (10) Judge. – A person who has a vote in determining the winner of any match or
9 contest.
10 (11) Kickboxer. – Any person who engages as a participant in a kickboxing
11 match.
12 (12) Kickboxing match. – A match in which the participants engage in full-
13 contact martial arts fighting techniques using the hands and the feet, and in
14 which the object of the match is to win by decision, knockout (KO), or
15 technical knockout (TKO).
16 (13) Licensee. – Any person, club, corporation, organization, or association to
17 whom a license has been issued pursuant to the provisions of this Article.
18 (14) Manager. – Any person who controls or administers the boxing affairs of
19 any contestant, and who:
20 a. By contract, agreement, or other arrangement with any person
21 undertakes or has undertaken to represent in any way the interest of
22 the contestant in any professional boxing contest in which the boxer
23 is to participate as a contestant, and is entitled under that contract,
24 agreement, or arrangement to receive monetary or other
25 compensation for his or her services, without regard to the sources of
26 the compensation. The term 'manager' shall not be construed to mean
27 any attorney licensed to practice in this State whose participation in
28 the activities is restricted solely to his representing the interests of a
29 professional boxer as a client.
30 b. Directs or controls the professional boxing activities of any
31 professional boxer.
32 c. Receives or is entitled to receive a percentage of the gross purse or
33 gross income of any professional boxing contest.
34 (15) Match. – Any boxing or kickboxing contest or exhibition, and includes any
35 event, engagement, sparring or practice session, show or program where the
36 public is admitted and in which there is intended to be physical contact,
37 whether an exhibition or contest. This definition does not include training or
38 practice sessions when no admission is charged.
39 (16) Matchmaker. – A person through whom matches are arranged for
40 participants and who otherwise assists participants in procuring engagement
41 dates for boxing.
42 (17) Mixed martial artist. – Any person who engages as a participant in a mixed
43 martial arts match.
44 (18) Mixed martial arts. – A form of sporting martial arts that uses a variety of
45 martial arts techniques to deliver blows with the hands, elbows, and any part
46 of the leg below the hip, including the knee and foot, and also uses boxing,
47 wrestling, and grappling techniques.
48 (19) Natural person. – An individual.
49 (20) Participant. – Any person who engages in a match or exhibition and
50 performs as a boxer.

- 1 (21) Person. – An individual, group of individuals, business, corporation, limited
2 liability company, partnership, or any other individual or collective entity.
3 (22) Physician. – An individual licensed to practice medicine in this State.
4 (23) Professional. – Any person who is licensed as a professional boxer under the
5 federal Professional Boxing Safety Act of 1996.
6 (24) Promoter. – Any person who produces, arranges, stages, holds, or gives any
7 match in North Carolina involving a professional participant.
8 (25) Referee. – The official who shall enter and remain in the ring for the
9 duration of a match and shall enforce the rules and maintain order in the
10 ring.
11 (26) Ring official. – Any person who performs an official function for the
12 duration of a match.
13 (27) Sanctioned amateur. – A person who competes in a sanctioned amateur
14 match.
15 (28) Sanctioned amateur match. – Any boxing or kickboxing match regulated by
16 an amateur sports organization that has been recognized and approved by the
17 North Carolina Boxing Commission.
18 (29) Second. – Any person who will work or be present in the corner of a
19 participant for the duration of a match.
20 (30) Timekeeper. – Any person who will operate the clock or watch for the
21 duration of a match for the purpose of keeping the official time of the match.
22 (31) Toughman contestant. – Any person who competes in a toughman event.
23 (32) Toughman event. – An elimination program of matches in which: (i) the
24 contestants are not professional boxers; (ii) the finalist receives a purse or
25 other article of value; (iii) the participants engage in the use of full-contact
26 boxing techniques; and (iv) the object of each match is to win by decision,
27 knockout (KO), or technical knockout (TKO).
28 (33) Unarmed combat. – A match consisting of any combination of boxing,
29 kicking, wrestling, hitting, punching, or other combative contact techniques
30 that may reasonably be expected to inflict injury to opponents.

31 **§ 143-659.3. State Athletics Commission.**

32 (a) Creation. – The North Carolina State Athletics Commission is created within the
33 Division of Tourism, Film, and Sports Development of the Department of Commerce to
34 regulate live boxing and kickboxing matches, whether professional, amateur, sanctioned
35 amateur, or toughman events, for which admission is charged for viewing, or the contestants
36 compete for a purse or prize of value greater than twenty-five dollars (\$25.00). The
37 Commission shall consist of six voting members and two nonvoting members. All the members
38 shall be residents of this State and meet requirements for membership under the Professional
39 Boxing Safety Act of 1996. The Commission members shall be appointed as follows:

- 40 (1) One voting member shall be appointed by the Governor for an initial term of
41 two years.
42 (2) One voting member shall be appointed by the President Pro Tempore of the
43 Senate for an initial term of three years.
44 (3) One voting member shall be appointed by the Speaker of the House of
45 Representatives for an initial term of three years.
46 (4) One voting member shall be appointed by the Secretary of Commerce for an
47 initial term of three years.
48 (5) One voting member shall be appointed by the Lieutenant Governor for an
49 initial term of two years.
50 (6) One voting member shall be appointed by the Tribal Council of the Eastern
51 Band of the Cherokee for an initial term of three years.

1 (7) One nonvoting advisory member shall be appointed by the Speaker of the
2 House of Representatives for an initial term of one year, from nominations
3 made by the North Carolina Medical Society, which shall nominate two
4 licensed physicians for the position.

5 (8) One nonvoting advisory member shall be appointed by the President Pro
6 Tempore of the Senate for an initial term of one year, from nominations
7 made by the North Carolina Medical Society, which shall nominate two
8 licensed physicians for the position.

9 Notwithstanding the schedule above in subdivisions (1), (5), (7), and (8) of this subsection,
10 if any former member of the North Carolina Boxing Advisory Commission is appointed to the
11 initial membership, that person shall serve an initial term of three years. The member appointed
12 pursuant to subdivision (6) of this subsection may serve on the Commission only if an
13 agreement exists and remains in effect between the Tribal Council of the Eastern Band of the
14 Cherokee and the Commission authorizing the Commission to regulate professional boxing
15 matches within the Cherokee Indian Reservation as provided by the Professional Boxing Safety
16 Act of 1996.

17 The two nonvoting advisory members appointed pursuant to subdivisions (7) and (8) of this
18 subsection shall advise the Commission on matters concerning the health and physical
19 condition of boxers and health issues relating to the conduct of exhibitions and boxing matches.
20 They may prepare and submit to the Commission for its consideration and approval any rules
21 that in their judgment will safeguard the physical welfare of all participants engaged in boxing.

22 Terms for all members of the Commission except for the initial appointments shall be for
23 three years.

24 The Governor shall designate which member of the Commission is to serve as chair. A
25 member of the Commission may be removed from office by the appointing authority for cause.
26 Members of the Commission are subject to the conflicts of interest requirements of 15 U.S.C. §
27 6308 (contained in the Professional Boxing Safety Act of 1996, as amended). Each member,
28 before entering upon the duties of a member, shall take and subscribe an oath to perform the
29 duties of the office faithfully, impartially, and justly to the best of the member's ability. A
30 record of these oaths shall be filed with the Division.

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

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

45 (d) Rule-Making Authority of the Commission. – The Commission shall have the
46 exclusive authority to approve and issue rules for the regulation of the conduct, promotion, and
47 performances of live boxing, kickboxing, sanctioned amateur, amateur, and toughman matches
48 and exhibitions in this State. The rules shall be issued pursuant to the provisions of Chapter
49 150B of the General Statutes and may include the following:

50 (1) Requirements for issuance of licenses and permits required by this Article.

51 (2) Regulation of ticket sales.

- 1 (3) Physical requirements for contestants, including classification by weight and
2 skill.
- 3 (4) Supervision of matches and exhibitions by licensed physicians and referees.
- 4 (5) Insurance and bonding requirements.
- 5 (6) Compensation of participants and licensees.
- 6 (7) Contracts and financial arrangements.
- 7 (8) Prohibition of dishonest, unethical, and injurious practices.
- 8 (9) Facilities.
- 9 (10) Approval of sanctioning amateur sports organizations.
- 10 (11) Procedures and requirements for compliance with the Professional Boxing
11 Safety Act of 1996.

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

16 (f) Staff Assistance. – The Division shall hire a person to serve as Executive Director
17 of the Commission and shall provide staff assistance to the Executive Director. The Executive
18 Director shall enforce this Article through the Division. If necessary, the Executive Director
19 may train and contract with independent contractors for the purpose of regulating and
20 monitoring events, issuing licenses, collecting fees, and enforcing rules of the Commission.
21 The Executive Director may initiate and review criminal background checks on persons
22 requesting to work as independent contractors for the Commission or persons applying to be
23 licensed by the Commission.

24 (g) Admission to Facilities. – A promoter is prohibited from barring the admission of a
25 Commission member to an event, performance, or contest held pursuant to this Article.

26 **"§ 143-659.4. Unauthorized matches prohibited.**

27 No person shall promote, conduct, or engage in an unarmed combat match, whether the
28 participants are professional or amateur, except as authorized by this Article. This section shall
29 not preclude professional wrestling.

30 **"§ 143-659.5. Licensing and permitting.**

31 (a) License and Permit Required. – Except for sanctioned amateur matches, it is
32 unlawful for any person to act in this State as an announcer, contestant, judge, manager,
33 matchmaker, promoter, referee, timekeeper, or second unless the person is licensed to do so
34 under this Article. It is unlawful for a promoter to present a match in this State, other than a
35 sanctioned amateur match, unless the promoter has a permit issued under this Article to do so.
36 The Commission has the exclusive authority to issue, deny, suspend, or revoke any license or
37 permit provided for in this Article.

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

48 An applicant for a license shall file with the Commission the appropriate nonrefundable fee
49 and any forms, documents, medical examinations, or exhibits the Commission may require in
50 order to properly administer this Article. The information requested shall include the date of
51 birth and social security number of each applicant as well as any other personal data necessary

1 to positively identify the applicant and may include the requirement of verification of any
 2 documents the Commission deems appropriate. A person may not participate under a fictitious
 3 or assumed name in any match unless the person has first registered the name with the
 4 Commission.

5 (c) Surety Bond. – An applicant for a promoter's license must submit, in addition to any
 6 other forms, documents, or exhibits requested by the Commission, a surety bond payable to the
 7 Commission for the benefit of any person injured or damaged by (i) the promoter's failure to
 8 comply with any provision of this Article or any rules adopted by the Commission or (ii) the
 9 promoter's failure to fulfill the obligations of any contract related to the holding of a boxing
 10 event. The surety bond shall be issued in an amount to be no less than ten thousand dollars
 11 (\$10,000). The amount of the surety bond shall be negotiable upon the sole discretion of the
 12 Commission. All surety bonds shall be upon forms approved by the Secretary of Commerce
 13 and supplied by the Commission.

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

17 **"§ 143-659.6. Fees; State Boxing Commission Revenue Account.**

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

19	<u>Announcer</u>	<u>\$75.00</u>
20	<u>Contestant</u>	<u>\$37.50</u>
21	<u>Judge</u>	<u>\$75.00</u>
22	<u>Manager</u>	<u>\$150.00</u>
23	<u>Matchmaker</u>	<u>\$300.00</u>
24	<u>Promoter</u>	<u>\$450.00</u>
25	<u>Referee</u>	<u>\$75.00</u>
26	<u>Timekeeper</u>	<u>\$75.00</u>
27	<u>Second</u>	<u>\$37.50.</u>

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

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

32	<u>Seating Capacity</u>	<u>Fee Amount</u>
33	<u>Less than 2,000</u>	<u>\$150.00</u>
34	<u>2,000 – 5,000</u>	<u>\$300.00</u>
35	<u>More than 5,000</u>	<u>\$450.00.</u>

36 (c) State Athletics Commission Revenue Account. – There is created the State Athletics
 37 Commission Revenue Account within the Division of Tourism, Film, and Sports Development
 38 of the Department of Commerce. Moneys collected pursuant to the provisions of this Article
 39 shall be credited to the Account and applied to the administration of the Article.

40 **"§ 143-659.7. Contracts and financial arrangements.**

41 Any contract between licensees and related to a boxing match or exhibition held or to be
 42 held in this State must meet the requirements of administrative rules as set forth by the
 43 Commission. Any contract which does not satisfy the requirements of the administrative rules
 44 shall be void and unenforceable. All contracts shall be in writing.

45 **"§ 143-659.8. Sanctioned amateur matches.**

46 In addition to the other applicable provisions of this Article, a sanctioned amateur match
 47 shall be conducted pursuant to the rules of the sports organization sanctioning the boxing match
 48 or exhibition.

49 **"§ 143-659.9. Violations.**

50 (a) Civil Penalties. – The Commission may issue an order against a licensee or other
 51 person who willfully violates any provision of this Article, imposing a civil penalty of up to

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

6 The clear proceeds of civil penalties imposed pursuant to this subsection shall be remitted to
7 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 shall
9 constitute a Class 2 misdemeanor. The Commission may refer any available evidence
10 concerning violations of this Article to the proper district attorney, who may, with or without
11 such a reference, institute the appropriate criminal proceedings.

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

17 **SECTION 4.** Each member serving on the North Carolina Boxing Advisory
18 Commission on the effective date of this act shall continue to serve the term for which the
19 member was appointed. Upon the expiration of a member's term, a member shall be appointed
20 to the North Carolina Athletics Commission in accordance with G.S. 143-659.3, as enacted in
21 Section 3 of this act.

22 **SECTION 5.** This act is effective when it becomes law.