

AMENDED IN ASSEMBLY MARCH 29, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2100

Introduced by Assembly Member Alejo

February 23, 2012

An act to amend Sections 18881, 18882, 18884, and 18887 of the Business and Professions Code, relating to athletes, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2100, as amended, Alejo. Athletes: mixed martial arts fighters.

Existing law, the State Athletic Commission Act, creates the State Athletic Commission and makes it responsible for licensing and regulating boxing, kickboxing, and martial arts matches and wrestling exhibitions. ~~Existing law, the Miller-Ayala Athlete Agents Act, regulates specified activities of an athlete agent in representing or seeking to represent student and professional athletes.~~ *Existing law creates the Boxers' Pension Fund and requires the commission to establish a pension plan for boxers and to deposit the moneys collected by the pension plan into the fund.*

~~This bill would declare the intent of the Legislature to enact legislation that would ensure the safety and promote the welfare of~~ *extend the scope of the Boxers' Pension Plan to include professional mixed martial arts fighters.*

Vote: majority. Appropriation: ~~no~~ *yes*. Fiscal committee: ~~no~~ *yes*. State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 18881 of the Business and Professions*
2 *Code is amended to read:*

3 18881. (a) The commission shall, consistent with the purposes
4 of this article, establish a pension plan for professional boxers *and*
5 *professional mixed martial arts fighters* who engage in boxing *or*
6 *mixed martial arts* contests in this state.

7 (b) The commission shall, consistent with the purposes of this
8 article, establish the method by which the pension plan will be
9 financed, including those who shall contribute to the financing of
10 the pension plan. The method of financing the pension plan may
11 include, but is not limited to, assessments on tickets and
12 contributions by boxers, *mixed martial arts fighters*, managers,
13 promoters, or any one or more of these persons, in an amount
14 sufficient to finance the pension plan. For purposes of this section,
15 the term “sufficient” means that the annual contributions shall be
16 calculated to achieve no less than the average level of annual
17 aggregate pension plan contributions from all sources for the period
18 from July 1, 1981, through December 31, 1994, and adjusted
19 thereafter to reflect changes in the Consumer Price Index for
20 California as set forth by the Bureau of Labor Statistics.

21 (c) Any pension plan established by the commission shall be
22 actuarially sound.

23 *SEC. 2. Section 18882 of the Business and Professions Code*
24 *is amended to read:*

25 18882. (a) At the time of payment of the fee required by
26 Section 18824, a promoter shall pay to the commission all amounts
27 scheduled for contribution to the pension plan. If the commission,
28 in its discretion, requires pursuant to Section 18881, that
29 contributions to the pension plan be made by the boxer *or mixed*
30 *martial arts fighter* and his or her manager, those contributions
31 shall be made at the time and in the manner prescribed by the
32 commission.

33 (b) All contributions to finance the pension plan shall be
34 deposited in the State Treasury and credited to the Boxers’ Pension
35 Fund, which is hereby created. Notwithstanding the provisions of
36 Section 13340 of the Government Code, all moneys in the Boxers’
37 Pension Fund are hereby continuously appropriated to be used

1 exclusively for the purposes and administration of the pension
2 plan.

3 (c) The Boxers' Pension Fund is a retirement fund, and no
4 moneys within it shall be deposited or transferred to the General
5 Fund.

6 (d) The commission has exclusive control of all funds in the
7 Boxers' Pension Fund. No transfer or disbursement in any amount
8 from this fund shall be made except upon the authorization of the
9 commission and for the purpose and administration of the pension
10 plan.

11 (e) Except as otherwise provided in this subdivision, the
12 commission or its designee shall invest the money contained in
13 the Boxers' Pension Fund according to the same standard of care
14 as provided in Section 16040 of the Probate Code. The commission
15 has exclusive control over the investment of all moneys in the
16 Boxers' Pension Fund. Except as otherwise prohibited or restricted
17 by law, the commission may invest the moneys in the fund through
18 the purchase, holding, or sale of any investment, financial
19 instrument, or financial transaction that the commission in its
20 informed opinion determines is prudent.

21 (f) The administrative costs associated with investing, managing,
22 and distributing the Boxers' Pension Fund shall be limited to no
23 more than 20 percent of the average annual contribution made to
24 the fund in the previous two years, not including any investment
25 income derived from the corpus of the fund. Diligence shall be
26 exercised by administrators in order to lower the fund's expense
27 ratio as far below 20 percent as feasible and appropriate. The
28 commission shall report to the Joint Committee on Boards,
29 Commissions, and Consumer Protection on the impact of this
30 provision during the next regularly scheduled sunset review after
31 January 1, 2007.

32 *SEC. 3. Section 18884 of the Business and Professions Code*
33 *is amended to read:*

34 18884. (a) A promoter may, but is not required to, add to the
35 price of each ticket sold for a professional boxing *or mixed martial*
36 *arts* contest, an amount specifically designated on the ticket for
37 contribution as a donation, either or both, to the pension plan
38 established pursuant to Section 18881. The additional amount shall
39 not be subject to the admissions tax required by Section 18824 or
40 any other deductions. Nothing in this section shall authorize the

1 addition of such amounts to less than all the tickets sold for the
2 professional boxing *or mixed martial arts* contest involved. The
3 promoter shall pay additional contributions collected in accordance
4 with Section 18881.

5 (b) Any additional contributions received pursuant to this section
6 shall not be considered to offset any of the contributions required
7 by the commission under Section 18881.

8 *SEC. 4. Section 18887 of the Business and Professions Code*
9 *is amended to read:*

10 18887. In addition to any other form in which retirement
11 benefits may be distributed under the pension plan, the commission
12 may, in its discretion, award to a covered boxer *or mixed martial*
13 *fighter*, a medical early retirement benefit in the amount contained
14 in the covered ~~boxers'~~ *boxer's or mixed martial arts fighter's*
15 pension plan account at the time the commission makes this award
16 and in the manner provided in the regulations governing the boxers'
17 pension plan. This benefit shall be in lieu of a pension.

18 ~~SECTION 1. It is the intent of the Legislature to enact~~
19 ~~legislation that would ensure the safety and promote the welfare~~
20 ~~of professional mixed martial arts fighters.~~

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