

AMENDED IN SENATE APRIL 24, 2013

SENATE BILL

No. 309

Introduced by Senator Price
(Principal coauthor: Assembly Member Gordon)

February 15, 2013

An act to amend Sections ~~18602 and 18613~~ of 18602, 18613, 18640.5, 18642, 18643, 18646, 18706, 18711, 18731, 18824, 18825, 18880, and 18882 of, to add Sections 18713, 18816, and 18820 to, to repeal Sections 18654 and 18817 of, and to repeal and add Section 18653 of, the Business and Professions Code, relating to business.

LEGISLATIVE COUNSEL'S DIGEST

SB 309, as amended, Price. State Athletic Commission.

Under existing law, the State Athletic Commission Act, the State Athletic Commission is responsible for licensing and regulating boxing, kickboxing, and martial arts matches and is required to appoint an executive officer. Existing law repeals these provisions on January 1, 2014. *A violation of the act is a crime.*

This bill would extend the repeal date to January 1, ~~2018~~ 2016.

Existing law requires the commission, at its regularly scheduled meetings, to invite testimony from boxing stakeholders to identify actions that may lead to greater opportunities for its licensees to participate in major professional championship boxing contests in the state. Existing law requires the commission to annually make recommendations, based on that testimony, to the Governor and the Legislature.

This bill would delete that recommendation requirement.

Existing law authorizes the commission to license professional and amateur boxers, professional and amateur martial arts fighters, and booking agents, managers of professional boxers and professional

martial arts fighters, trainers, chief seconds, and seconds of each. Under existing law, only a natural person may be licensed as a boxer and martial arts fighter.

This bill would eliminate that natural person limitation on who may be licensed as a boxer and martial arts fighter.

Under existing law, the commission may authorize a nonprofit boxing, wrestling, or martial arts club or organization, upon approval of its bylaws, to administer its rules for amateur boxing, wrestling, and full contact martial arts contests subject to specified findings by the commission.

This bill would additionally authorize a sanctioning body to administer its rules. The bill would authorize the commission to revoke the authority for a previously authorized nonprofit boxing, wrestling, or martial arts club, organization, or sanctioning body to administer its rules.

Existing law prohibits a person from conducting or operating a professional boxers' training gymnasium unless he or she has been issued a license by the commission. Under existing law, the failure of a licensed training gymnasium owner or operator, fighter, boxer, trainer, second, or manager to report to the commission an injury or knockout of a licensed boxer or fighter or the holder of a sparring permit is grounds for the suspension of his or her license.

This bill would repeal those provisions. The bill would prohibit a person from training a professional boxer or kickboxer or martial arts athlete unless he or she has been licensed by the commission. The bill would make the application and renewal fee for a licensed professional trainer \$200. The bill would define a "professional trainer" as someone who is responsible for the day to day training of those aforementioned athletes and possesses a minimum of 5 years experience in combative sports. The bill would authorize only licensed professional trainers to make a recommendation to the commission on whether a contestant is prepared for his or her first amateur mixed martial arts bout or to turn professional in boxing, kickboxing, or mixed martial arts. The bill would require a professional trainer to be present in the corner of the contestant unless otherwise authorized by the commission or the executive officer. The bill would make the failure of a licensed professional trainer to report to the commission and Fight Fax Inc. an injury or knockout of a licensed boxer or fighter grounds for the suspension of his or her license. The bill would make a conforming change.

Under existing law, the commission requires, as a condition of licensure and annual renewal and as a part of the application process, the examination by a licensed physician and surgeon who specializes in neurology and neurosurgery of each applicant for a license as a professional athlete or contestant, in addition to any other medical examinations. Existing law requires the cost of the examinations to be paid from assessments on any one or more of the following: promoters of professional matches, managers, and professional athletes or other contestants licensed under the act.

This bill would specify that the administrative costs associated with managing and distributing the State Athletic Commission Neurological Examination Account shall be limited to no more than 20% of the prior year's contributions.

Under the act, a physician and surgeon is required to certify the contestant's physical condition to engage in the match. Existing law states that nothing in the act may be construed to require a contestant to submit to a pregnancy test.

This bill would require a female who is a contestant in a professional or amateur boxing match, kickboxing match, or martial arts match to provide the commission with the results of a pregnancy test indicating whether she is currently pregnant before a match commences. The bill would prohibit a female contestant from competing in a match if she is pregnant. The bill would require these results to be kept confidential.

Existing law prohibits a referee or physician and surgeon from being assigned to a boxing contest if he or she has not participated in a clinic sponsored by the commission. Existing law authorizes the commission to pay any necessary and authorizes travel expenses of referees and physicians and surgeons who attend such clinics.

This bill would delete that payment authorization and would authorize the commission to contract with a 3rd party to conduct a clinic. The bill would authorize a 3rd party to charge attendees a reasonable fee, as specified.

Existing federal law requires a state boxing commission to issue to each professional boxer who registers with it an identification card containing specified information and requires each professional boxer to renew his or her identification card at least once every 4 years.

This bill would require the commission to charge a \$20 fee to issue federal identification cards and would require those cards to be reissued once every 4 years.

Existing law requires every person who conducts a contest or wrestling exhibition, within 5 working days after the determination of every contest or wrestling exhibition for which admission is charged and received, to furnish to the commission, among other things, a fee of 5% of the amount paid for admission to the contest or wrestling exhibition, but the fee shall not exceed \$100,000. Existing law requires the commission to report to a specified legislative committee on the fiscal impact of that \$100,000 limitation. Existing law prohibits the minimum fee for an amateur contest or exhibition from being less than \$500.

This bill would instead require the commission to furnish that 5% fee within 24 hours and report to the Legislature during its next sunset review.

Existing law requires the administrative costs associated with investing, managing, and distributing the Boxers' Pension Fund to be limited to no more than 20% of the average annual contribution made to the fund in the previous 2 years, not including any investment income derived from the corpus of the fund. Existing law requires the commission to report to a legislative committee on the impact of these provisions during the next regularly scheduled sunset review.

This bill would limit those administrative costs to no more than 2% and would require that report to be submitted to the Legislature.

Because a violation of the bill's requirements would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

- 1 SECTION 1. Section 18602 of the Business and Professions
- 2 Code is amended to read:
- 3 18602. (a) Except as provided in this section, there is in the
- 4 Department of Consumer Affairs the State Athletic Commission,
- 5 which consists of seven members. Five members shall be appointed

1 by the Governor, one member shall be appointed by the Senate
2 Rules Committee, and one member shall be appointed by the
3 Speaker of the Assembly.

4 The members of the commission appointed by the Governor are
5 subject to confirmation by the Senate pursuant to Section 1322 of
6 the Government Code.

7 No person who is currently licensed, or who was licensed within
8 the last two years, under this chapter may be appointed or
9 reappointed to, or serve on, the commission.

10 (b) In appointing commissioners under this section, the
11 Governor, the Senate Committee on Rules, and the Speaker of the
12 Assembly shall make every effort to ensure that at least four of
13 the members of the commission shall have experience and
14 demonstrate expertise in one of the following areas:

15 (1) A licensed physician or surgeon having expertise or
16 specializing in neurology, neurosurgery, head trauma, or sports
17 medicine. Sports medicine includes, but is not limited to,
18 physiology, kinesiology, or other aspects of sports medicine.

19 (2) Financial management.

20 (3) Public safety.

21 (4) Past experience in the activity regulated by this chapter,
22 either as a contestant, a referee or official, a promoter, or a venue
23 operator.

24 (c) Each member of the commission shall be appointed for a
25 term of four years. All terms shall end on January 1. Vacancies
26 occurring prior to the expiration of the term shall be filled by
27 appointment for the unexpired term. No commission member may
28 serve more than two consecutive terms.

29 (d) Notwithstanding any other provision of this chapter,
30 members first appointed shall be subject to the following terms:

31 (1) The Governor shall appoint two members for two years, two
32 members for three years, and one member for four years.

33 (2) The Senate Committee on Rules shall appoint one member
34 for four years.

35 (3) The Speaker of the Assembly shall appoint one member for
36 four years.

37 (e) (1) This section shall remain in effect only until January 1,
38 ~~2018~~, 2016, and as of that date is repealed, unless a later enacted
39 statute, that is enacted before January 1, ~~2018~~, 2016, deletes or
40 extends that date.

1 (2) Notwithstanding any other ~~provision~~ of law, the repeal of
2 this section renders the board subject to review by the appropriate
3 policy committees of the Legislature.

4 SEC. 2. Section 18613 of the Business and Professions Code
5 is amended to read:

6 18613. (a) (1) The commission shall appoint a person exempt
7 from civil service who shall be designated as an executive officer
8 and who shall exercise the powers and perform the duties delegated
9 by the commission and vested in him or her by this chapter. The
10 appointment of the executive officer is subject to the approval of
11 the Director of Consumer Affairs.

12 (2) The commission may employ in accordance with Section
13 154 other personnel as may be necessary for the administration of
14 this chapter.

15 (b) This section shall remain in effect only until January 1,
16 ~~2018~~, 2016, and as of that date is repealed, unless a later enacted
17 statute, that is enacted before January 1, ~~2018~~, 2016, deletes or
18 extends that date.

19 SEC. 3. Section 18640.5 of the Business and Professions Code
20 is amended to read:

21 18640.5. (a) The commission, at its regularly scheduled
22 meetings, shall invite testimony from boxing stakeholders to
23 identify actions that may lead to greater opportunities for its
24 licensees to participate in major professional championship boxing
25 contests in the State of California. The commission shall invite
26 testimony that shall include, but not be limited to, the following:

27 (1) What cooperative actions may be taken by the private sector
28 boxing stakeholders that may lead to greater opportunities for the
29 commission’s licensees to participate in major professional
30 championship boxing contests in the State of California.

31 (2) What role may public-private partnerships play that may
32 lead to greater opportunities for the commission’s licensees to
33 participate in major professional championship boxing contests in
34 the State of California.

35 (3) What actions may local agencies take that may lead to greater
36 opportunities for the commission’s licensees to participate in major
37 professional championship boxing contests in the State of
38 California.

39 (4) What actions may the commission take that may lead to
40 greater opportunities for the commission’s licensees to participate

1 in major professional championship boxing contests in the State
2 of California.

3 (5) What actions may other state agencies take that may lead to
4 greater opportunities for the commission’s licensees to participate
5 in major professional championship boxing contests in the State
6 of California.

7 (b) The stakeholders shall include, but not be limited to, boxing
8 promoters, boxing event venues, boxers, sports news outlets, and
9 local agencies that have an interest in providing greater
10 opportunities for the commission’s licensees to participate in major
11 professional championship boxing contests in the State of
12 California.

13 ~~(e) Upon receipt of the above described testimony the~~
14 ~~commission shall annually make recommendations to the Governor~~
15 ~~and the Legislature that it determines may provide greater~~
16 ~~opportunities for the commission’s licensees to participate in major~~
17 ~~professional championship boxing contests in the State of~~
18 ~~California.~~

19 ~~(d)~~

20 (c) Nothing in this section shall jeopardize the commission’s
21 duties and responsibilities to protect the safety and welfare of
22 boxers and the public.

23 ~~(e)~~

24 (d) Costs incurred by the commission in implementing this
25 section shall be covered by existing resources of the commission.

26 *SEC. 4. Section 18642 of the Business and Professions Code*
27 *is amended to read:*

28 18642. The commission may license professional and amateur
29 boxers, professional and amateur martial arts fighters, and booking
30 agents, managers of professional boxers and professional martial
31 arts fighters, trainers, chief seconds, and seconds of each. ~~Only a~~
32 ~~natural person may be licensed as a boxer and martial arts fighter.~~

33 No person shall participate in any contest or serve in the capacity
34 of a booking agent, manager, trainer, or second, unless he or she
35 has been licensed for that purpose by the commission.

36 *SEC. 5. Section 18643 of the Business and Professions Code*
37 *is amended to read:*

38 18643. (a) No professional boxer shall spar for training
39 purposes with any person not licensed as a professional boxer or
40 who does not have a sparring permit. The commission may

1 authorize a professional boxer to spar with someone not licensed
 2 as a professional boxer or who does not have a sparring permit,
 3 under special circumstances subject to a commission representative
 4 being present. No person licensed under this chapter shall conduct,
 5 hold, or permit unlicensed persons to spar unless commission
 6 authorization is granted.

7 (b) The commission may issue a permit to spar with professional
 8 boxers for training purposes. This permit shall be issued only to
 9 persons who meet the physical and mental requirements for
 10 licensure as a professional boxer.

11 ~~(e) The operator of a professional boxers' training gymnasium~~
 12 ~~shall inspect and log daily on a form approved by the commission~~
 13 ~~the professional boxing license or sparring permit of any individual~~
 14 ~~who wishes to use the gymnasium for sparring or boxing and no~~
 15 ~~person shall do so unless that person has a valid and current license~~
 16 ~~or permit. Individuals described in subdivision (a) shall be exempt~~
 17 ~~from these requirements.~~

18 *SEC. 6. Section 18646 of the Business and Professions Code*
 19 *is amended to read:*

20 18646. (a) This chapter applies to all amateur boxing,
 21 wrestling, and full contact martial arts contests.

22 (b) The commission may, however, authorize a nonprofit boxing,
 23 wrestling, or martial arts club ~~or~~, organization, *or sanctioning*
 24 *body*, upon approval of its bylaws, to administer its rules for
 25 amateur boxing, wrestling, and full contact martial arts contests,
 26 and may, therefore, waive direct commission application of laws
 27 and rules, including licensure, subject to the commission's
 28 affirmative finding that the standards and enforcement of similar
 29 rules by that club or organization meet or exceed the safety and
 30 fairness standards of the commission. The commission shall review
 31 the performance of any such club ~~or~~, organization, *or sanctioning*
 32 *body* annually.

33 (c) Every contest subject to this section shall be preceded by a
 34 physical examination, specified by the commission, of every
 35 contestant. A physician shall be in attendance at the contest. There
 36 shall be a medical insurance program satisfactory to the
 37 commission provided by the amateur club ~~or~~, organization, *or*
 38 *sanctioning body* in effect covering all contestants. The commission
 39 shall review compliance with these requirements.

1 (d) Any club or, organization which, or sanctioning body that
2 conducts, holds, or gives amateur contests pursuant to this section,
3 which collects money for the event, shall furnish a written financial
4 report of receipts and disbursements within 90 days of the event.

5 (e) The commission has the right to have present without charge
6 or restriction such representatives as are necessary to obtain
7 compliance with this section.

8 (f) The commission may require any additional notices and
9 reports it deems necessary to enforce the provisions of this section.

10 (g) *The commission may revoke the authority for a previously*
11 *authorized nonprofit boxing, wrestling, or martial arts club,*
12 *organization, or sanctioning body to administer its rules for*
13 *amateur boxing, wrestling, and full contact martial arts contests.*

14 *SEC. 7. Section 18653 of the Business and Professions Code*
15 *is repealed.*

16 ~~18653. (a) No person shall conduct or operate a professional~~
17 ~~boxers' training gymnasium unless he or she has a license issued~~
18 ~~by the commission under this chapter.~~

19 ~~(b) Any application to conduct or operate a professional boxers'~~
20 ~~gymnasium shall contain facts which show compliance with this~~
21 ~~chapter and shall provide any other information the commission~~
22 ~~may require.~~

23 ~~(c) The application shall include the fee required in Section~~
24 ~~18817.~~

25 ~~(d) This section shall not apply to a training camp established~~
26 ~~by a professional boxer for his or her sole use.~~

27 ~~(e) As used in this chapter:~~

28 ~~(1) A "professional boxers' training gymnasium" means a~~
29 ~~gymnasium, the principal business of which is the providing of~~
30 ~~training facilities for professional boxers, and in which either or~~
31 ~~both of the following occur:~~

32 ~~(A) A fee is charged to professional boxers for the use of the~~
33 ~~gymnasium facilities.~~

34 ~~(B) A fee is charged to persons who view the training of~~
35 ~~professional boxers.~~

36 ~~(2) "Principal business" means the use of the gymnasium for~~
37 ~~the providing of training facilities for professional boxers which~~
38 ~~either accounts for more than 50 percent of the annual gross income~~
39 ~~of the gymnasium, or accounts for more than 50 percent of its total~~
40 ~~use.~~

1 *SEC. 8. Section 18653 is added to the Business and Professions*
2 *Code, to read:*

3 18653. (a) *No person shall train a professional boxer or*
4 *kickboxer or martial arts athlete unless he or she has been licensed*
5 *by the commission. A professional trainer is someone who is*
6 *responsible for the day to day training of those athletes and*
7 *possesses a minimum of five years experience in combative sports.*
8 *Only professional trainers licensed by the commission may make*
9 *a recommendation to the commission on whether a contestant is*
10 *prepared for his or her first amateur mixed martial arts bout or*
11 *to turn professional in boxing, kickboxing, or mixed martial arts.*
12 *A professional trainer shall be present in the corner of the*
13 *contestant unless otherwise authorized by the commission or the*
14 *executive director.*

15 (b) *Failure of a licensed professional trainer to report to the*
16 *commission and Fight Fax Inc. an injury or knockout of a licensed*
17 *boxer or fighter shall be grounds for the suspension of his or her*
18 *license pursuant to this chapter.*

19 *SEC. 9. Section 18654 of the Business and Professions Code*
20 *is repealed.*

21 ~~18654. Failure of a licensed training gymnasium owner or~~
22 ~~operator, fighter, boxer, trainer, second, or manager to report to~~
23 ~~the commission an injury or knockout of a licensed boxer or fighter~~
24 ~~or the holder of a sparring permit shall be grounds for the~~
25 ~~suspension of their license pursuant to this chapter.~~

26 *SEC. 10. Section 18706 of the Business and Professions Code*
27 *is amended to read:*

28 18706. (a) *Not later than at the weigh-in time, which shall be*
29 *not more than 30 hours prior to the beginning of the first event,*
30 *the physician provided for in Section 18705 shall conduct a*
31 *physical examination of the contestant and certify in writing as to*
32 *the contestant's physical condition to engage in the contest or*
33 *match.*

34 (1) ~~The commission shall make the contestants'~~ *contestant's*
35 *medical records available to the physician and the physician shall*
36 *review the contestant's medical records as part of the certification*
37 *of the contestant's physical condition.*

38 (2) *The physician shall determine whether the contestant may*
39 *have any knowledge, manifestations, symptoms, or prior history*
40 *of a physical condition that may affect the contestant's ability to*

1 perform or present a potential threat to the contestant's health as
2 a result of competing in the contest or match. The contestant shall
3 complete a questionnaire developed by the commission. The
4 contestant shall be asked to disclose on the questionnaire any
5 conditions of which the contestant is aware, including, but not
6 limited to, any of the following:

7 (A) Significant weight gain or loss and any change in weight
8 in the seven days prior to the contest.

9 (B) Neuromuscular condition, including peripheral nerves,
10 muscle problems, and brain problems.

11 (C) Pregnancy.

12 (D) Bone fractures and all forms of arthritis.

13 (E) Any condition related to vision or changes in hearing
14 function.

15 (F) Heart condition or other cardiovascular condition.

16 (G) Pulmonary or respiratory condition.

17 (H) Renal or urological condition.

18 (I) Hematological condition, including manifestations of any
19 unusual bleeding or bruising.

20 If any condition is disclosed under this paragraph, the physician
21 shall not allow the contestant to compete unless the physician or,
22 at the contestant's discretion, the contestant's personal physician,
23 who is licensed to practice medicine in the United States, has
24 conducted a physical examination and determined that the specific
25 condition does not affect the contestant's ability to perform or
26 present a potential threat to the contestant's health as a result of
27 competing in the contest or match.

28 (3) The questionnaire shall be developed by the commission
29 through promulgated regulations in consultation with qualified
30 medical professionals.

31 ~~(4) Nothing in this chapter may be construed to require a~~
32 ~~contestant to submit to a pregnancy test.~~

33 (b) On the day of the event, and no later than one hour before
34 the contestants enter the ring, the physician provided for in Section
35 18705 shall conduct a brief reexamination and certify in writing
36 as to the contestant's physical condition to engage in the contest
37 or match. This reexamination shall include an evaluation of any
38 significant changes since the physical examination provided under
39 subdivision (a).

1 (c) A report of the medical examinations shall be filed with the
2 commission not later than 24 hours after the termination of the
3 contest or match. The physician's report of the examination shall
4 include specific mention as to the condition of the contestant's
5 heart, nerves and brain.

6 *SEC. 11. Section 18711 of the Business and Professions Code*
7 *is amended to read:*

8 18711. (a) (1) (A) The commission shall require, as a
9 condition of licensure and as a part of the application process, the
10 examination by a licensed physician and surgeon who specializes
11 in neurology and neurosurgery of each applicant for a license as
12 a professional athlete or contestant licensed under this chapter or,
13 if for the renewal of a license, this examination every year, in
14 addition to any other medical examinations.

15 (i) Upon initial licensure, the examination shall include tests
16 and examinations designed to detect physical conditions that could
17 place the athlete or contestant at risk for serious injury or
18 permanent or temporary impairment of any bodily function. These
19 tests or examinations shall include, but not be limited to, a
20 neurological examination or a neuro-psychological examination,
21 a brain imaging scan, and an electrocardiogram (EKG). The
22 physician may recommend any additional tests or evaluations he
23 or she deems necessary.

24 (ii) For renewal of a license, the physician shall determine the
25 tests or evaluations necessary, if any.

26 (iii) The commission may require an athlete or contestant
27 licensed under this chapter to undergo additional neurological tests
28 where, based on the totality of the athlete's or contestant's records,
29 it appears the athlete or contestant may be at risk of cognitive
30 impairment.

31 (iv) On the basis of a physical examination under this
32 subdivision, and any additional tests that are conducted, the
33 physician may recommend to the commission whether the applicant
34 may be permitted to be licensed in California or not. The executive
35 officer shall review these recommendations and report any denials
36 of licensure. If, as a result of these recommendations, the executive
37 officer refuses to grant the applicant a license or to renew a license,
38 the applicant shall not compete in California until the denial has
39 been overruled by the commission as provided in this chapter.

1 (v) The commission may waive the requirement for a brain
2 imaging scan or an EKG if a brain imaging scan or EKG was
3 completed as part of the licensing requirements in another state,
4 the commission determines that this brain imaging scan or EKG
5 creates a reliable baseline for the athlete or contestant, and the
6 commission has been provided with a copy of the brain imaging
7 scan or EKG reports.

8 (vi) This subparagraph shall become inoperative on the date the
9 regulations adopted by the commission pursuant to subparagraph
10 (B) become operative.

11 (B) On and after January 1, 2008, all professional athletes
12 licensed under this chapter shall be required by the commission
13 to complete a medical examination process, which shall include
14 the completion of specific medical examinations, to be determined
15 by the commission through regulations, as a condition of initial
16 licensure and license renewal. This medical examination process
17 may include examinations required under current law and any
18 additional medical examinations determined to be medically
19 necessary. In adopting the medical examination process, the
20 commission shall consider the health and safety of contestants, the
21 medical necessity of any examinations required, and the financial
22 aspects of requiring those medical examinations.

23 (2) In the absence of any pertinent untoward medical event, the
24 commission may, in its discretion, on forms prescribed by the
25 commission, accept tests or evaluations that are equivalent to those
26 described in paragraph (1) and that have been completed within
27 one year of licensure to meet the requirements of this subdivision.

28 (3) (A) Any medical records obtained, reviewed, or created
29 under this chapter shall be utilized only for purposes of
30 administering this chapter. The commission and any physician
31 may not disclose the athlete's medical records without a signed
32 authorization from the athlete, except that the commission may
33 disclose those records to other state licensing boards and
34 commissions to which the athlete has applied for licensure or has
35 an enforcement action pending, or upon court order in a criminal
36 or civil action.

37 (B) After the adoption of regulations to establish a process for
38 participating in medical research studies, the commission may use
39 medical information for purposes of participating in medical
40 research studies of the effects on the human body of contests and

1 exhibitions regulated under this chapter. However, medical
2 information shall not include any personal identifying information
3 on any contestant, including, but not limited to, the contestant's
4 name, address, telephone number, social security number, license
5 number, federal identification number, or any other information
6 identifying the contestant. The medical information shall only be
7 provided if the licensed athlete has consented in writing to
8 participate in the research study. The regulations adopted by the
9 commission shall include a process to ensure that no conflicts of
10 interest arise regarding which medical examinations are required
11 to be completed by contestants.

12 (b) If an applicant for licensure as a professional athlete under
13 this chapter undergoes a neurological examination for purposes
14 of licensure within the 120-day period immediately preceding the
15 normal expiration of that license, the applicant shall not be required
16 to undergo an additional neurological examination within the
17 following 12 consecutive month license period unless the
18 commission, for cause, orders that the examination be taken. The
19 commission shall notify all commission-approved physicians and
20 referees that the commission has the authority to order any
21 professional athlete to undergo a neurological examination.

22 (c) The cost of the examinations required by this section shall
23 be paid from assessments on any one or more of the following:
24 promoters of professional matches, managers, and professional
25 athletes or other contestants licensed under this chapter. The rate
26 and manner of assessment shall be set by the commission, and
27 may cover all costs associated with the requirements of this section.
28 This assessment shall be imposed on all contests approved by the
29 commission under this chapter. As of July 1, 1994, all moneys
30 received by the commission pursuant to this section shall be
31 deposited in and credited to the State Athletic Commission
32 Neurological Examination Account which is hereby created in the
33 General Fund. *The administrative costs associated with managing
34 and distributing the State Athletic Commission Neurological
35 Examination Account shall be limited to no more than 20 percent
36 of the prior year's contributions.*

37 (d) Whenever a reference is made to the Boxers' Neurological
38 Examination Account, it is to be construed as referring to the State
39 Athletic Commission Neurological Examination Account.

1 SEC. 12. Section 18713 is added to the Business and
2 Professions Code, to read:

3 18713. A female who is a contestant in a professional or
4 amateur boxing match, kickboxing match, or martial arts match
5 shall provide the results of a pregnancy test before the match
6 commences to indicate whether she is currently pregnant. The
7 pregnancy test shall have been taken between seven and 14 days
8 before the match. If the results indicate that the contestant is
9 pregnant, she shall not compete in the match. Pregnancy results
10 shall be kept confidential by the commission.

11 SEC. 13. Section 18731 of the Business and Professions Code
12 is amended to read:

13 18731. No referee or physician and surgeon shall be assigned
14 to a boxing contest who has not participated in a clinic sponsored
15 by the commission in accordance with this section in the preceding
16 six months. The commission may contract with a third party to
17 conduct a clinic. The third party may charge clinic attendees a fee
18 in an amount not to exceed the reasonable cost of the clinic.

19 Clinics shall include, among other things, the subjects of the
20 rules of the commission, the recognition and diagnosis of serious
21 or life-threatening, boxing-related and neurological injuries and
22 disorders, and refereeing a bout.

23 ~~The commission is authorized to pay any necessary and~~
24 ~~authorized travel expenses of referees and physicians who attend~~
25 ~~such clinics.~~

26 SEC. 14. Section 18816 is added to the Business and
27 Professions Code, to read:

28 18816. The application and renewal fee for a licensed
29 professional trainer, as described in Section 18653, shall be two
30 hundred dollars (\$200).

31 SEC. 15. Section 18817 of the Business and Professions Code
32 is repealed.

33 ~~18817. The application and renewal fee for professional boxers'²~~
34 ~~training gymnasium shall not exceed two hundred dollars (\$200).~~

35 SEC. 16. Section 18820 is added to the Business and
36 Professions Code, to read:

37 18820. The commission shall charge a twenty dollar (\$20) fee
38 to issue federal identification cards. Cards shall be reissued once
39 every four years.

1 *SEC. 17. Section 18824 of the Business and Professions Code*
2 *is amended to read:*

3 18824. (a) Except as provided in Sections 18646 and 18832,
4 every person who conducts a contest or wrestling exhibition shall,
5 ~~within five working days~~ *twenty-four hours* after the determination
6 of every contest or wrestling exhibition for which admission is
7 charged and received, furnish to the commission the following:

8 (1) A written report executed under penalty of perjury by one
9 of the officers, showing the amount of the gross receipts, not to
10 exceed two million dollars (\$2,000,000), and the gross price for
11 the contest or wrestling exhibition charged directly or indirectly
12 and no matter by whom received, for the sale, lease, or other
13 exploitation of broadcasting and television rights of the contest or
14 wrestling exhibition, and without any deductions, except for
15 expenses incurred for one broadcast announcer, telephone line
16 connection, and transmission mobile equipment facility, which
17 may be deducted from the gross taxable base when those expenses
18 are approved by the commission.

19 (2) A fee of 5 percent, exclusive of any federal taxes paid
20 thereon, of the amount paid for admission to the contest or
21 wrestling exhibition, except that for any one contest, the fee shall
22 not exceed the amount of one hundred thousand dollars (\$100,000).
23 The commission shall report to the ~~Joint Committee on Boards,~~
24 ~~Commissions, and Consumer Protection~~ *Legislature* on the fiscal
25 impact of the one hundred thousand dollar (\$100,000) limit on
26 fees collected by the commission for admissions revenues *during*
27 *its next sunset review.*

28 (A) The amount of the gross receipts upon which the fee
29 provided for in paragraph (2) is calculated shall not include any
30 assessments levied by the commission under Section 18711.

31 (B) (i) If the fee for any one boxing contest exceeds seventy
32 thousand dollars (\$70,000), the amount in excess of seventy
33 thousand dollars (\$70,000) shall be paid one-half to the commission
34 and one-half to the Boxers' Pension Fund.

35 (ii) If the report required by subdivision (b) of Section 18618
36 recommends that the Boxers' Pension Fund shall be expanded to
37 include all athletes licensed under this chapter, the commission,
38 by regulation, shall require, for all contests where the fee exceeds
39 seventy thousand dollars (\$70,000), the amount in excess of
40 seventy thousand dollars (\$70,000) shall be paid one-half to the

1 commission and one-half to the Boxers' Pension Fund only if all
2 athletes licensed under this chapter are made eligible for the
3 Boxers' Pension Fund.

4 (C) The fee shall apply to the amount actually paid for admission
5 and not to the regular established price.

6 (D) No fee is due in the case of a person admitted free of charge.
7 However, if the total number of persons admitted free of charge
8 to a boxing, kickboxing, or martial arts contest, or wrestling
9 exhibition exceeds 33 percent of the total number of spectators,
10 then a fee of one dollar (\$1) per complimentary ticket or pass used
11 to gain admission to the contest shall be paid to the commission
12 for each complimentary ticket or pass that exceeds the numerical
13 total of 33 percent of the total number of spectators.

14 (E) The minimum fee for an amateur contest or exhibition shall
15 not be less than ~~five hundred dollars (\$500)~~ *one thousand dollars*
16 *(\$1,000)*. *The minimum fee for a professional contest or exhibition*
17 *shall not be less than one thousand two hundred fifty dollars*
18 *(\$1250)*.

19 (3) A fee of up to 5 percent, to be established by the commission
20 through regulations to become operative on or before July 1, 2008,
21 and updated periodically as needed, of the gross price, exclusive
22 of any federal taxes paid thereon, for the sale, lease, or other
23 exploitation of broadcasting or television rights thereof, except
24 that in no case shall the fee be less than one thousand dollars
25 (\$1,000) or more than twenty-five thousand dollars (\$25,000).

26 (b) As used in this section, "person" includes a promoter, club,
27 individual, corporation, partnership, association, or other
28 organization, and "wrestling exhibition" means a performance of
29 wrestling skills and techniques by two or more individuals, to
30 which admission is charged or which is broadcast or televised, in
31 which the participating individuals are not required to use their
32 best efforts in order to win, and for which the winner may have
33 been selected before the performance commences.

34 *SEC. 18. Section 18825 of the Business and Professions Code*
35 *is amended to read:*

36 18825. An inspector or other representative of the commission
37 duly authorized by the executive officer shall be admitted to the
38 box office, and is authorized to assist in the counting of tickets
39 and in the computation of the tax due thereon, and to take any
40 other action necessary for the administration and enforcement of

1 this chapter. The inspector or other representative shall immediately
2 ~~mail~~ *transmit* to the commission the official statement of gross
3 receipts received by him or her from the promoter.

4 *SEC. 19. Section 18880 of the Business and Professions Code*
5 *is amended to read:*

6 18880. (a) The Legislature finds and declares all of the
7 following:

8 (1) That professional athletes licensed under this chapter, as a
9 group, for many reasons, do not retain their earnings, and are often
10 injured or destitute, or both, and unable to take proper care of
11 themselves, whether financially or otherwise, and that the
12 enactment of this article is to serve a public purpose by making
13 provisions for a needy group to insure a modicum of financial
14 security for professional athletes.

15 (2) Athletes licensed under this chapter may suffer extraordinary
16 disabilities in the normal course of their trade. These may include
17 acute and chronic traumatic brain injuries, resulting from multiple
18 concussions as well as from repeated exposure to a large number
19 of subconcussive punches, eye injuries, including retinal tears,
20 holes, and detachments, and other neurological impairments.

21 (3) The pension plan of the commission is part of the state's
22 health and safety regulatory scheme, designed to protect ~~boxers~~
23 *athletes* licensed under this chapter from the health-related hazards
24 of their trade. The pension plan addresses those health and safety
25 needs, recognizing the disability and health maintenance expenses
26 those needs may require.

27 (4) The regulatory system of California is interrelated with the
28 conduct of the trade in every jurisdiction. Athletes licensed under
29 this chapter participate in contests in other states and many athletes
30 who are based in those other jurisdictions may participate in
31 California on a single-event basis.

32 (5) The outcomes and natures of fights in other jurisdictions are
33 relevant to California regulatory jurisdiction and are routinely
34 monitored for health and safety reasons, so that, for example, a
35 knockout of an athlete licensed under this chapter in another
36 jurisdiction is paid appropriate heed with respect to establishing
37 a waiting period before that athlete may commence fighting in
38 California.

39 (6) The monitoring of other jurisdictions is an integral part of
40 the health and safety of California athletes licensed under this

1 chapter due to the interstate nature of the trade, and therefore the
2 regulatory scheme for contests and athletes under this chapter
3 should reflect this accordingly.

4 (b) The provisions of this article pertain only to professional
5 ~~boxers~~ *athletes* licensed under this chapter.

6 *SEC. 20. Section 18882 of the Business and Professions Code*
7 *is amended to read:*

8 18882. (a) At the time of payment of the fee required by
9 Section 18824, a promoter shall pay to the commission all amounts
10 scheduled for contribution to the pension plan. If the commission,
11 in its discretion, requires pursuant to Section 18881, that
12 contributions to the pension plan be made by the boxer and his or
13 her manager, those contributions shall be made at the time and in
14 the manner prescribed by the commission.

15 (b) All contributions to finance the pension plan shall be
16 deposited in the State Treasury and credited to the Boxers' Pension
17 Fund, which is hereby created. Notwithstanding the provisions of
18 Section 13340 of the Government Code, all moneys in the Boxers'
19 Pension Fund are hereby continuously appropriated to be used
20 exclusively for the purposes and administration of the pension
21 plan.

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

25 (d) The commission has exclusive control of all funds in the
26 Boxers' Pension Fund. No transfer or disbursement in any amount
27 from this fund shall be made except upon the authorization of the
28 commission and for the purpose and administration of the pension
29 plan.

30 (e) Except as otherwise provided in this subdivision, the
31 commission or its designee shall invest the money contained in
32 the Boxers' Pension Fund according to the same standard of care
33 as provided in Section 16040 of the Probate Code. The commission
34 has exclusive control over the investment of all moneys in the
35 Boxers' Pension Fund. Except as otherwise prohibited or restricted
36 by law, the commission may invest the moneys in the fund through
37 the purchase, holding, or sale of any investment, financial
38 instrument, or financial transaction that the commission in its
39 informed opinion determines is prudent.

1 (f) The administrative costs associated with investing, managing,
2 and distributing the Boxers' Pension Fund shall be limited to no
3 more than ~~20~~ 2 percent of the ~~average annual contribution made~~
4 ~~to the fund in the previous two years, not including any investment~~
5 ~~income derived from the corpus of the fund.~~ Diligence shall be
6 exercised by administrators in order to lower the fund's expense
7 ratio as far below ~~20~~ 2 percent as feasible and appropriate. The
8 commission shall report to the ~~Joint Committee on Boards,~~
9 ~~Commissions, and Consumer Protection~~ Legislature on the impact
10 of this provision during the next regularly scheduled sunset review
11 after January 1, 2007.

12 *SEC. 21. No reimbursement is required by this act pursuant*
13 *to Section 6 of Article XIII B of the California Constitution because*
14 *the only costs that may be incurred by a local agency or school*
15 *district will be incurred because this act creates a new crime or*
16 *infraction, eliminates a crime or infraction, or changes the penalty*
17 *for a crime or infraction, within the meaning of Section 17556 of*
18 *the Government Code, or changes the definition of a crime within*
19 *the meaning of Section 6 of Article XIII B of the California*
20 *Constitution.*