

ASSEMBLY BILL

No. 2560

Introduced by Assembly Member Setencich

February 21, 1996

An act to amend Sections 18711, 18881, and 18882 of, and to repeal Section 18883 of, the Business and Professions Code, relating to boxing.

LEGISLATIVE COUNSEL'S DIGEST

AB 2560, as introduced, Setencich. Boxing: pension fund.

Existing law, known as the Boxing Act, regulates the sport of boxing in California. Existing law requires the State Athletic Commission to establish a pension plan for professional boxers who engage in boxing contests. Existing law requires the commission to establish a schedule of contributions to the pension plan to be paid by professional boxers, managers, and promoters on an equitable basis.

This bill would, instead, require the commission to establish a method by which the pension plan would be financed and to designate those persons who must contribute to the financing of the plan, as specified. This bill would require the pension plan to be financed at a level no less than the number of total credit service units, as defined, earned to the date of retirement multiplied by \$2 for all covered boxers, adjusted for inflation since July 1, 1981. This bill would also prescribe the method by which a covered boxer may retire and receive monthly pension benefits at age 55.

Existing law requires a representative of the commission to withhold the contributions of a boxer and his or her manager

to the pension plan at the time of the payment of the purse. Existing law requires these contributions to be deposited in the Boxers' Pension Account.

This bill would require those contributions to be made at the time and in the manner prescribed by the commission, if the commission requires contributions by a boxer and his or her manager. This bill would require the commission, or its designee, to invest the money contained in the Boxers' Pension Account according to a specified standard of care.

Existing law authorizes a professional boxer to contribute to the pension plan at a higher rate than established by the commission.

This bill would delete this provision. This bill would also make technical, nonsubstantive changes to existing law.

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

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

1 SECTION 1. Section 18711 of the Business and
 2 Professions Code is amended to read:
 3 18711. (a) The commission shall require, as a
 4 condition of licensure and as a part of the application
 5 process, the examination by a licensed physician and
 6 surgeon who specializes in neurology and neurosurgery
 7 of each applicant for a license as a professional boxer or,
 8 if for the renewal of a license, this examination every year
 9 ~~if the boxer has boxed within the preceding year,~~ in
 10 addition to any other medical examinations. The
 11 physician may recommend any additional tests he or she
 12 deems necessary. On the basis of that examination and
 13 any additional tests that are conducted, the physician may
 14 recommend to the commission whether the applicant
 15 may be permitted to be licensed in California or not. The
 16 executive officer shall review these recommendations
 17 and report any denials of licensure. If, as a result of these
 18 recommendations, the executive officer refuses to grant
 19 the applicant a license *or to renew a license*, the applicant
 20 shall not box in California until the denial has been
 21 overruled by the commission as provided in this chapter.



1 (b) In the event that an applicant for licensure as a
2 professional boxer undergoes a neurological examination
3 for purposes of licensure within the 120-day period
4 immediately preceding the normal expiration of that
5 license the applicant shall not be required to undergo an
6 additional neurological examination within the following
7 calendar year unless the commission, for cause, orders
8 that the examination be taken. The commission shall
9 notify all commission approved physicians and referees
10 that the commission has the authority to order any
11 professional boxer to undergo a neurological
12 examination.

13 (c) The cost of the examinations required by this
14 section shall be paid from assessments on *any one or more*
15 *of the following*: promoters of professional boxing
16 matches ~~and by~~, managers, and professional boxers in
17 California. The rate *and manner* of assessment shall be set
18 by the commission, without the requirement of adoption
19 of regulations, and shall cover all costs associated with the
20 requirements of this section. This assessment shall be
21 imposed on all professional boxing matches which occur
22 on and after January 1, 1986. As of July 1, 1994, all moneys
23 received by the commission pursuant to this section shall
24 be deposited in and credited to the Boxers' Neurological
25 Examination Account which is hereby created in the
26 General Fund. ~~For the 1994-95 fiscal year, the Controller~~
27 ~~shall transfer moneys from the Boxers' Neurological~~
28 ~~Examination Account to the General Fund in an amount~~
29 ~~that is equal to the amount expended from Item~~
30 ~~1140-001-001 of the 1994-95 Budget Act for the~~
31 ~~administration and provision of neurological exams as~~
32 ~~required pursuant to this section.~~

33 SEC. 2. Section 18881 of the Business and Professions
34 Code is amended to read:

35 18881. (a) The commission shall, consistent with the
36 purposes of this article, establish a pension plan for
37 professional boxers who engage in boxing contests in this
38 state.

39 (b) The commission shall, consistent with the purposes
40 of this article, establish a ~~schedule of contributions to~~



1 ~~finance such a pension plan to be paid by professional~~
2 ~~boxers, managers, promoters on an equitable basis, as~~
3 ~~determined by the commission, in an amount sufficient~~
4 ~~to finance such pension plan the method by which the~~
5 ~~pension plan will be financed, including those who shall~~
6 ~~contribute to the financing of the pension plan. The~~
7 ~~method of financing the pension plan may include, but is~~
8 ~~not limited to, assessments on tickets and contributions by~~
9 ~~boxers, promoters, or any one or more of these persons,~~
10 ~~in an amount sufficient to finance the pension plan, at a~~
11 ~~level no less than the number of total credit service units~~
12 ~~earned to the date of retirement multiplied by two dollars~~
13 ~~(\$2), for all covered boxers, adjusted for inflation since~~
14 ~~July 1, 1981. A credit service unit shall be determined as~~
15 ~~provided in subdivision (b) of Section 402 of Title 4 of the~~
16 ~~California Code of Regulations. In establishing ~~such~~~~
17 ~~schedule, any method which requires contributions from~~
18 ~~boxers, managers, promoters, or any one or more of these~~
19 ~~persons, the commission shall consider, but not be limited~~
20 ~~in its consideration to, the relative profits derived from a~~
21 ~~boxing contest by the professional boxer, his or her~~
22 ~~manager, and the promoter.~~

23 (c) Any pension plan established by the commission
24 shall be actuarially sound.

25 (d) A covered boxer who wishes to retire and receive
26 monthly pension benefits after attaining age 55 shall file
27 a notice of election with the commission on a form
28 prescribed by the commission. The boxer shall be entitled
29 to receive an amount equal to the monthly pension
30 described in subdivision (a) of Section 403 of Title 4 of the
31 California Code of Regulations, reduced by one-half of 1
32 percent per month for each month by which his or her
33 retirement date precedes his or her attainment of the age
34 of 65. These payments shall start on the first day of the
35 month following the date of retirement and shall
36 terminate with the last payment due immediately
37 preceding the covered boxer's death.

38 SEC. 3. Section 18882 of the Business and Professions
39 Code is amended to read:



1 18882. (a) At the time of payment of the fee required
2 by Section 18824, a promoter shall pay to the commission
3 all amounts scheduled for contribution to the pension
4 plan. ~~At the time of payment of any purse to the boxer and~~
5 ~~his or her manager, the inspector or other duly~~
6 ~~authorized representative of the commission shall~~
7 ~~withhold their~~ *If the commission, in its discretion,*
8 *requires pursuant to Section 18881, that contributions to*
9 *the pension plan be made by the boxer and his or her*
10 *manager, those contributions shall be made at the time*
11 *and in the manner prescribed by the commission.*

12 (b) All contributions ~~from professional boxers,~~
13 ~~managers, and promoters~~ to finance the pension plan
14 shall be deposited in and credited to the Boxers' Pension
15 Account, which is hereby created in the General Fund.
16 The money in the Boxers' Pension Account shall be used
17 exclusively for the purposes and administration of the
18 pension plan.

19 (c) Except as otherwise provided in this subdivision,
20 the commission or its designee shall invest the money
21 contained in the Boxers' Pension Account ~~as other state~~
22 ~~funds are invested~~ *according to the same standard of care*
23 *as provided in Section 16040 of the Probate Code.* The
24 commission or its designee may also invest money from
25 ~~such~~ *this* account in group annuity contracts.

26 SEC. 4. Section 18883 of the Business and Professions
27 Code is repealed.

28 ~~18883. Any professional boxer may, at his or her~~
29 ~~option, contribute to the pension plan established~~
30 ~~pursuant to Section 18881 at rates higher than those~~
31 ~~established by the commission pursuant to that section in~~
32 ~~order to receive greater benefits under such plan.~~

