

AMENDED IN SENATE AUGUST 18, 2000

AMENDED IN SENATE JULY 6, 2000

AMENDED IN SENATE JUNE 20, 2000

AMENDED IN SENATE JUNE 19, 2000

AMENDED IN SENATE MAY 25, 2000

AMENDED IN ASSEMBLY MARCH 16, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 52

Introduced by Assembly Member Cedillo
(Principal coauthor: Assembly Member Calderon)
(Principal coauthor: Senator Murray)
(Coauthors: Assembly Members Briggs, Cardenas,
Firebaugh, Granlund, Reyes, and Strickland)
(Coauthors: Senators Alarcon and Perata)

December 7, 1998

An act to amend, repeal, and add Section 18824 of the Business and Professions Code, relating to athletic events, making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 52, as amended, Cedillo. Athletic events: fees.

Existing law, the Boxing Act, provides for the regulation by the State Athletic Commission of specified contests, matches, and exhibitions, including boxing, kickboxing, martial arts, wrestling and other full or partial contact contests, matches,



or exhibitions. Existing law provides that every person who conducts a contest or wrestling exhibition pay the commission a fee of 5% of the amount paid for admission to the contest or wrestling exhibition.

This bill would, until January 1, 2006, impose a ~~\$50,000~~ ~~\$100,000~~ limit on the fees derived from the amount paid for admission to any one boxing contest and would also require that if those fees exceed ~~\$35,000~~ ~~\$70,000~~, the amount in excess of ~~\$35,000~~ ~~\$70,000~~ be paid $\frac{1}{2}$ to the commission and $\frac{1}{2}$ to the Boxers' Pension Account. Because this bill would provide for an increase in the amount deposited into the Boxers' Pension Account, a continuously appropriated special account within the General Fund, it would make an appropriation. This bill would require the commission to submit a report to the Legislature, by December 31, 2004, addressing the impact and effect of this act on commission revenues, the sport of boxing, and the Boxers' Pension Account.

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

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

1 SECTION 1. Section 18824 of the Business and
2 Professions Code is amended to read:
3 18824. (a) Except as provided in Sections 18646 and
4 18832, every person who conducts a contest or wrestling
5 exhibition shall, within 72 hours after the determination
6 of every contest or wrestling exhibition for which
7 admission is charged and received, furnish to the
8 commission a written report executed under penalty of
9 perjury by one of the officers, showing the number of
10 tickets issued or sold for the contest or wrestling
11 exhibition, the amount of the gross receipts or value
12 thereof, and the gross price charged directly or indirectly
13 and no matter by whom received, for the sale, lease, or
14 other exploitation of broadcasting and television rights of
15 the contest or wrestling exhibition, and without any
16 deductions, except for expenses incurred for one
17 broadcast announcer, telephone line connection, and
18 transmission mobile equipment facility, which may be



1 deducted from the gross taxable base when those
2 expenses are approved by the commission. The person
3 shall also, within the same time, pay to the commission a
4 fee of 5 percent, exclusive of any federal taxes paid
5 thereon, of the amount paid for admission to the contest
6 or wrestling exhibition, except that for any one boxing
7 contest, the fee shall not exceed the amount of ~~fifty~~
8 ~~thousand dollars (\$50,000)~~ *one hundred thousand dollars*
9 *(\$100,000)*, and a fee of up to 5 percent of the gross price
10 as described above for the sale, lease, or other exploitation
11 of broadcasting or television rights thereof, except that in
12 no case shall the fee be less than one thousand dollars
13 (\$1,000). The minimum fee for an amateur contest or
14 exhibition shall not be less than five hundred dollars
15 (\$500). The amount of the gross receipts upon which the
16 fee provided for in this section is calculated shall not
17 include any assessments levied by the commission under
18 Section 18711.

19 The fee on admission shall apply to the amount actually
20 paid for admission and not to the regular established
21 price.

22 No fee is due in the case of a person admitted free of
23 charge. However, if the total number of persons admitted
24 free of charge to a boxing, kickboxing, or martial arts
25 contest or wrestling exhibition exceeds 25 percent of the
26 total number of spectators, then a fee of one dollar (\$1)
27 per complimentary ticket or pass used to gain admission
28 to the contest shall be paid to the commission for each
29 complimentary ticket or pass that exceeds the numerical
30 total of 25 percent of the total number of spectators.

31 (b) If the fee on admissions for any one boxing contest
32 exceeds ~~thirty-five thousand dollars (\$35,000)~~ *seventy*
33 *thousand dollars (\$70,000)*, the amount in excess of
34 ~~thirty-five thousand dollars (\$35,000)~~ *seventy thousand*
35 *dollars (\$70,000)* shall be paid one-half to the commission
36 and one-half to the Boxers' Pension Account.

37 (c) As used in this section, "person" includes a
38 promoter, club, individual, corporation, partnership,
39 association or other organization, and "wrestling
40 exhibition" means a performance of wrestling skills and



1 techniques by two or more individuals, to which
2 admission is charged or which is broadcast or televised, in
3 which the participating individuals are not required to
4 use their best efforts in order to win, and for which the
5 winner may have been selected before the performance
6 commences.

7 (d) This section shall remain in effect only until
8 January 1, 2006, and as of that date is repealed, unless a
9 later enacted statute, that is enacted before January 1,
10 2006, deletes or extends that date.

11 SEC. 2. Section 18824 is added to the Business and
12 Professions Code, to read:

13 18824. (a) Except as provided in Sections 18646 and
14 18832, every person who conducts a contest or wrestling
15 exhibition shall, within 72 hours after the determination
16 of every contest or wrestling exhibition for which
17 admission is charged and received, furnish to the
18 commission a written report executed under penalty of
19 perjury by one of the officers, showing the number of
20 tickets issued or sold for the contest or wrestling
21 exhibition, the amount of the gross receipts or value
22 thereof, and the gross price charged directly or indirectly
23 and no matter by whom received, for the sale, lease, or
24 other exploitation of broadcasting and television rights of
25 the contest or wrestling exhibition, and without any
26 deductions, except for expenses incurred for one
27 broadcast announcer, telephone line connection, and
28 transmission mobile equipment facility, which may be
29 deducted from the gross taxable base when those
30 expenses are approved by the commission. The person
31 shall also, within the same time pay to the commission a
32 5 percent fee, exclusive of any federal taxes paid thereon,
33 of the amount paid for admission to the contest or
34 wrestling exhibition, and up to 5 percent of the gross price
35 as described above for the sale, lease, or other exploitation
36 of broadcasting or television rights thereof, except that in
37 no case shall the fee be less than one thousand dollars
38 (\$1,000).

39 (b) The minimum fee for an amateur contest or
40 exhibition shall not be less than five hundred dollars



1 (\$500). The amount of the gross receipts upon which the
2 fee provided for in this section is calculated shall not
3 include any assessments levied by the commission under
4 Section 18711.

5 The fee on admission shall apply to the amount actually
6 paid for admission and not to the regular established
7 price.

8 No fee is due in the case of a person admitted free of
9 charge; provided, however, if the total number of persons
10 admitted free of charge to a boxing, kickboxing, or martial
11 arts contest or wrestling exhibition exceeds 25 percent of
12 the total number of spectators, then a fee of one dollar
13 (\$1) per complimentary ticket or pass used to gain
14 admission to the contest shall be paid to the commission
15 for each complimentary ticket or pass that exceeds the
16 numerical total of 25 percent of the total number of
17 spectators.

18 (c) As used in this section, “person” includes a
19 promoter, club, individual, corporation, partnership,
20 association or other organization, and “wrestling
21 exhibition” means a performance of wrestling skills and
22 techniques by two or more individuals, to which
23 admission is charged or which is broadcast or televised, in
24 which the participating individuals are not required to
25 use their best efforts in order to win, and for which the
26 winner may have been selected before the performance
27 commences.

28 (d) This section shall become operative on January 1,
29 2006.

30 SEC. 3. The State Athletic Commission shall, by
31 December 31, 2004, submit a report to the Legislature on
32 the impact and effect of this act. The report shall include,
33 at a minimum, an assessment of the act’s impact on the
34 following:

35 (a) The net changes in enhancing the ethical
36 competition of the sport of boxing.

37 (b) The net increase in revenues collected by the
38 commission.



1 (c) The net increase in revenues deposited into the
2 Boxers' Pension Account.

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