

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 limit on the fees derived from the amount paid for admission to any one contest or wrestling exhibition and would also require that if those fees exceed \$35,000, the amount in excess of \$35,000 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  
19 deducted from the gross taxable base when those  
20 expenses are approved by the commission. The person

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

16 The fee on admission shall apply to the amount actually  
17 paid for admission and not to the regular established  
18 price.

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

28 (b) If the fee on admissions for any one contest or  
29 exhibition exceeds thirty-five thousand dollars (\$35,000),  
30 the amount in excess of thirty-five thousand dollars  
31 (\$35,000) shall be paid one-half to the commission  
32 and one-half to the Boxers' Pension Account.

33 (c) As used in this section, "person" includes a  
34 promoter, club, individual, corporation, partnership,  
35 association or other organization, and "wrestling  
36 exhibition" means a performance of wrestling skills and  
37 techniques by two or more individuals, to which  
38 admission is charged or which is broadcast or televised, in  
39 which the participating individuals are not required to  
40 use their best efforts in order to win, and for which the

1 winner may have been selected before the performance  
2 commences.

3 (d) This section shall remain in effect only until  
4 January 1, 2006, and as of that date is repealed, unless a  
5 later enacted statute, that is enacted before January 1,  
6 2006, deletes or extends that date.

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

9 18824. (a) Except as provided in Sections 18646 and  
10 18832, every person who conducts a contest or wrestling  
11 exhibition shall, within 72 hours after the determination  
12 of every contest or wrestling exhibition for which  
13 admission is charged and received, furnish to the  
14 commission a written report executed under penalty of  
15 perjury by one of the officers, showing the number of  
16 tickets issued or sold for the contest or wrestling  
17 exhibition, the amount of the gross receipts or value  
18 thereof, and the gross price charged directly or indirectly  
19 and no matter by whom received, for the sale, lease, or  
20 other exploitation of broadcasting and television rights of  
21 the contest or wrestling exhibition, and without any  
22 deductions, except for expenses incurred for one  
23 broadcast announcer, telephone line connection, and  
24 transmission mobile equipment facility, which may be  
25 deducted from the gross taxable base when those  
26 expenses are approved by the commission. The person  
27 shall also, within the same time pay to the commission a  
28 5 percent fee, exclusive of any federal taxes paid thereon,  
29 of the amount paid for admission to the contest or  
30 wrestling exhibition, and up to 5 percent of the gross price  
31 as described above for the sale, lease, or other exploitation  
32 of broadcasting or television rights thereof, except that in  
33 no case shall the fee be less than one thousand dollars  
34 (\$1,000).

35 (b) The minimum fee for an amateur contest or  
36 exhibition shall not be less than five hundred dollars  
37 (\$500). The amount of the gross receipts upon which the  
38 fee provided for in this section is calculated shall not  
39 include any assessments levied by the commission under  
40 Section 18711.

1 The fee on admission shall apply to the amount actually  
2 paid for admission and not to the regular established  
3 price.

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

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

24 (d) This section shall become operative on January 1,  
25 2006.

26 SEC. 3. The State Athletic Commission shall, by  
27 December 31,—2005 2004, submit a report to the  
28 Legislature on the impact and effect of this act. The  
29 report shall include, at a minimum, an assessment of the  
30 act's impact on the following:

31 (a) The net changes in enhancing the ethical  
32 competition of the sport of boxing.

33 (b) The net increase in revenues collected by the  
34 commission.

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

37 ~~SEC. 4. This act is an urgency statute necessary for the~~  
38 ~~immediate preservation of the public peace, health, or~~  
39 ~~safety within the meaning of Article IV of the~~

1 ~~Constitution and shall go into immediate effect. The facts~~  
2 ~~constituting the necessity are:~~  
3 ~~In order to permit the state to attract and retain more~~  
4 ~~boxing and wrestling events as soon as possible, it is~~  
5 ~~necessary that this act take effect immediately.~~

