

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 limit on the fees derived from the amount paid for admission to any one *boxing* 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, *except that for any one boxing contest, the fee*
7 *shall not exceed the amount of fifty thousand dollars*
8 *(\$50,000)*, and a fee of up to 5 percent of the gross price
9 as described above for the sale, lease, or other exploitation
10 of broadcasting or television rights thereof, except that in
11 no case shall the fee be less than one thousand dollars
12 (\$1,000). The minimum fee for an amateur contest or
13 exhibition shall not be less than five hundred dollars
14 (\$500). The amount of the gross receipts upon which the
15 fee provided for in this section is calculated shall not
16 include any assessments levied by the commission under
17 Section 18711.

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

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

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

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



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

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7 January 1, 2006, and as of that date is repealed, unless a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

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

12 18824. (a) Except as provided in Sections 18646 and
13 18832, every person who conducts a contest or wrestling
14 exhibition shall, within 72 hours after the determination
15 of every contest or wrestling exhibition for which
16 admission is charged and received, furnish to the
17 commission a written report executed under penalty of
18 perjury by one of the officers, showing the number of
19 tickets issued or sold for the contest or wrestling
20 exhibition, the amount of the gross receipts or value
21 thereof, and the gross price charged directly or indirectly
22 and no matter by whom received, for the sale, lease, or
23 other exploitation of broadcasting and television rights of
24 the contest or wrestling exhibition, and without any
25 deductions, except for expenses incurred for one
26 broadcast announcer, telephone line connection, and
27 transmission mobile equipment facility, which may be
28 deducted from the gross taxable base when those
29 expenses are approved by the commission. The person
30 shall also, within the same time pay to the commission a
31 5 percent fee, exclusive of any federal taxes paid thereon,
32 of the amount paid for admission to the contest or
33 wrestling exhibition, and up to 5 percent of the gross price
34 as described above for the sale, lease, or other exploitation
35 of broadcasting or television rights thereof, except that in
36 no case shall the fee be less than one thousand dollars
37 (\$1,000).

38 (b) The minimum fee for an amateur contest or
39 exhibition shall not be less than five hundred dollars
40 (\$500). The amount of the gross receipts upon which the



1 fee provided for in this section is calculated shall not
2 include any assessments levied by the commission under
3 Section 18711.

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

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

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

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

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

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

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



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

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