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SENATE BILL NO. 790

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on General Laws
on February 10, 2015)

(Patron Prior to Substitute—Senator Carrico)

A BILL to amend and reenact §§ 54.1-828 through 54.1-831.01, 54.1-833, and 54.1-834 of the Code of Virginia, to amend the Code of Virginia by adding a section numbered 54.1-829.1, and to repeal § 54.1-835 of the Code of Virginia, relating to the Department of Professional and Occupational Regulation; amateur boxing and martial arts.

Be it enacted by the General Assembly of Virginia:

1. That §§ 54.1-828 through 54.1-831.01, 54.1-833, and 54.1-834 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 54.1-829.1 as follows:

§ 54.1-828. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Amateur" means an individual who has never participated in a boxing, martial arts, or professional wrestling event for money, compensation, or reward other than a suitably inscribed memento.

"Boxer" means a person competing in the sport of boxing or martial arts.

"Boxing" means the contact sport of attack or defense using fists, feet, or both, including professional kick boxing, boxing, martial arts, or any similar contest.

"Cable television system" means any facility consisting of a set of closed transmission paths and associated equipment designed to provide video programming to multiple subscribers when subscriber interaction is required to select a specific video program for an access fee established by the cable television system for that specific video program.

"Contractor" means any person who has been recognized by the Director, through a contract, as an appropriate responsible party to provide services to assist the Commonwealth in complying with the provisions of this chapter.

"Department" means the Department of Professional and Occupational Regulation or its successor.

"Director" means the Director of the Department of Professional and Occupational Regulation.

"Event" means any professional boxing, martial arts, or professional wrestling show which that includes one or more contests or matches.

"Exhibition" means any occurrence in which boxers or martial artists show or display skills without striving to win.

"License" means a method of regulation whereby any person arranging, conducting or participating in boxing, martial arts, or professional wrestling activities is required to obtain a prior authorization from the Department.

"Licensee" means any person holding a valid license under the provisions of this chapter.

"Manager" means any person who receives compensation for service serves as a representative or agent of a boxer, martial artist, or professional wrestler to arrange for his participation in an event.

"Martial artist" means a person competing in the sport of martial arts.

"Martial arts" or "mixed martial arts" means any of several Asian arts of combat or self-defense, alone or in combination, including but not limited to aikido, karate, judo, muay thai, or tae kwon do, usually practiced as sport and which may involve the use of striking weapons.

"Matchmaker" means any person who proposes, selects, arranges for, or in any manner procures specific individuals to be contestants in an event.

"Person" means a natural person, corporation, partnership, sole proprietorship, firm, enterprise, franchise, association or any other entity.

"Professional" means a person who participates or has ever participated for money, compensation, or reward other than a suitably inscribed memento in any boxing, martial arts, or professional wrestling event.

"Professional wrestler" means any professional participating in professional wrestling.

"Professional wrestling" means an event in which contestants incorporate the sport of wrestling into choreographed performances.

"Promote" or "promotion" means to organize, arrange, publicize, or conduct an event or exhibition in the Commonwealth.

"Promoter" means any person who undertakes to promote an event or exhibition.

"Sanctioning organization" means an entity approved by the Director pursuant to § 54.1-829.1.

"Trainer," "second" or "cut man" means an individual who undertakes to assure the well-being of a boxer or martial artist by providing instruction or advice concerning techniques or strategies of boxing

60 *or martial arts*, and who may work in the corner with a boxer *or martial artist* between the rounds of a
61 match to assure his well-being and provide necessary equipment and advice concerning match
62 participation.

63 "Wrestler" means any person competing or participating as an opponent in wrestling.

64 "Wrestling" means any ~~contact sport or exhibition~~ of several styles of physical competition in which
65 individuals attempt to subdue or unbalance an opponent, including Greco-Roman, freestyle, grappling, or
66 submission, usually practiced as a sport.

67 **§ 54.1-829. License required; bond; physical examination; ambulance; physician; and health**
68 **insurance.**

69 A. ~~Unless exempted by § 54.1-830, no~~ No person shall promote or conduct a boxing, martial arts, or
70 professional wrestling event in the Commonwealth without first having obtained a license for such event
71 from the Department. No such license shall be granted except to a licensed promoter.

72 B. ~~Unless exempted by § 54.1-830, no~~ No person shall act as a promoter, matchmaker, trainer, boxer,
73 martial artist, or professional wrestler in the Commonwealth without first having obtained a license for
74 such activity from the Department and such license remains in full force and effect.

75 C. No license to act as a promoter shall be granted unless the applicant executes and files with the
76 Department a bond, in such penalty as the Department shall determine through regulation, conditioned
77 on the payment of the fees and penalties imposed by this chapter and for the fulfillment of contracts
78 made with ~~boxers and wrestlers~~ professional contestants in accordance with Department regulations. *This*
79 *subsection shall not apply to a promoter applying to conduct an amateur-only event under the authority*
80 *of a sanctioning organization approved by the Director.*

81 D. Each boxer *and martial artist* shall, and each professional wrestler may, be examined prior to
82 entering the ring by a physician who has been licensed to practice medicine in the Commonwealth for at
83 least five years. The physician shall be appointed by the Department *or sanctioning organization* and
84 shall certify in writing that the contestant's physical condition is such that he is physically able to
85 engage in the contest.

86 E. No ~~boxing~~ event in which boxers or martial artists are contestants shall be conducted without the
87 continuous presence at ringside of a physician who has been licensed to practice medicine in the
88 Commonwealth for at least five years, and unless an ambulance is at the site of the ~~boxing~~ event.

89 F. No boxer *or martial artist* shall participate in any event unless covered by a health insurance
90 policy with minimum coverage in an amount determined by Department regulation.

91 **§ 54.1-829.1. Sanctioning organization; amateur events.**

92 A. *No event in which amateur participants compete in boxing or martial arts shall be permitted in*
93 *the Commonwealth unless the amateur event is conducted by a sanctioning organization approved by the*
94 *Director.*

95 B. *The Director shall approve such sanctioning organizations that apply for and satisfactorily*
96 *demonstrate evidence of standards and operations at least as rigorous as those required by this chapter.*
97 *The Director may withdraw his approval for a sanctioning organization's failure to comply with this*
98 *chapter, associated regulations, or any administrative requirements for demonstrating compliance.*

99 C. *Minimum provisions for approval as an amateur sanctioning organization shall include that the*
100 *sanctioning organization (i) has at least five years' documented experience without adverse financial or*
101 *disciplinary action in any jurisdiction; (ii) provides evidence that none of its officers, employees, or*
102 *agents, directly or indirectly, have any pecuniary interest in, or hold any position with, any business*
103 *associated with a licensee; (iii) certifies the contestants' physical condition prior to any contest and at*
104 *ringside; and (iv) ensures the continuous presence of a ringside physician and an on-site ambulance.*

105 D. *Approved sanctioning organizations shall ensure that each boxer and martial artist provides a*
106 *negative test for the following prior to an event in order to participate:*

- 107 1. *Antibodies to the human immunodeficiency virus;*
- 108 2. *Hepatitis B surface antigen (HBsAg); and*
- 109 3. *Antibodies to virus hepatitis C.*

110 *Such tests shall be conducted within the 180 days preceding the event. A boxer or martial artist who*
111 *fails to provide negative results for all required tests shall not be permitted to compete in the event.*

112 E. *Each approved sanctioning organization shall submit an annual report to the Director on or*
113 *before February 1, with a summary of the events conducted for the preceding calendar year.*

114 **§ 54.1-830. Exemptions.**

115 ~~Amateur exhibitions and the participants therein shall be exempt from the provisions of this chapter~~
116 ~~provided the participants receive no money, compensation or reward other than a suitably inscribed~~
117 ~~memento for their participation.~~*The provisions of this chapter shall not apply to:*

- 118 1. *Amateur wrestling bouts;*
- 119 2. *Amateur exhibitions and the amateur participants therein; or*
- 120 3. *Engagements involving amateur boxing or martial arts that are conducted by or held under the*
121 *sponsorship of (i) any elementary or secondary school or public or private institution of higher*

education located in the Commonwealth or (ii) the Department of Corrections involving inmates of any state correctional institution.

§ 54.1-831. Powers and duties of the Department.

The Department shall administer and enforce the provisions of this chapter. In addition to the powers and duties otherwise conferred by law, the Director shall have the powers and duties of a regulatory board as contained in §§ 54.1-201 and 54.1-202, and shall have the power and duty to:

1. Promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) which implement the federal Professional Boxing Safety Act of 1996 (15 U.S.C. § 6301 et seq.) and protect the public against incompetent, unqualified, unscrupulous or unfit persons engaging in the activities regulated by this chapter.

The regulations shall include requirements for (i) initial and renewal licensure, (ii) licensure and conduct of events, (iii) standards of practice for persons arranging, promoting, conducting, supervising and participating in events, (iv) grounds for disciplinary actions against licensees, (v) records to be kept and maintained by licensees, (vi) manner in which fees are to be accounted for and submitted to the Department, and (vii) minimum health coverage for injuries sustained in a boxing or martial arts match. The Department shall have direct oversight of events to assure the safety and well-being of boxers, martial artists, and professional wrestlers.

2. Charge each applicant for licensure and for renewals of licensure a nonrefundable fee subject to the provisions of § 54.1-113 and subdivision A 4 of § 54.1-201.

3. Conduct investigations to determine the suitability of applicants for licensure and to determine the licensee's compliance with applicable statutes and regulations.

4. Conduct investigations as to whether monopolies, combinations or other circumstances exist to restrain matches or exhibitions of professional boxing, martial arts, or professional wrestling anywhere in the Commonwealth. The Attorney General may assist investigations at the request of the Department.

5. Exercise jurisdiction over all wrestling and boxing, martial arts, and professional wrestling conducted within the Commonwealth by any person, except where otherwise exempted.

§ 54.1-831.01. Boxing, Martial Arts, and Professional Wrestling Advisory Board.

A. The Professional Boxing, Martial Arts, and Professional Wrestling and Martial Arts Advisory Board (the Board) is established as an advisory board, within the meaning of § 2.2-2100, in the executive branch of state government to advise the Director on matters relating to professional boxing, martial arts, and professional wrestling events and martial arts competitions in the Commonwealth.

B. The Board shall consist of seven members appointed by the Director as follows: one representative of the sport of boxing; one representative of the sport of professional wrestling; one representative of the sport of nontraditional mixed martial arts; one representative of either the sport of boxing, wrestling or nontraditional mixed martial arts, or professional wrestling; one member who is a martial arts instructor who has obtained the rank of black belt or higher; and two citizen members. All members shall be residents of the Commonwealth. After the original appointments, all All appointments shall be for terms of four years, except that appointments to fill vacancies shall be for the unexpired terms. No person shall be eligible to serve for more than two successive full terms.

C. The Board shall elect its chairman and vice-chairman from among its members. The Board shall meet at least once each year to conduct its business and upon the call of the Director or chair of the Board. Four members shall constitute a quorum.

D. Members of the Board shall receive no compensation for their services, but shall be reimbursed for all reasonable and necessary expenses incurred in the discharge of their duties as provided in § 2.2-2825.

E. Such staff support as is necessary for the conduct of the Board's business shall be furnished by the Department.

§ 54.1-833. Reports; cable television systems; fee on receipts.

A. Each promoter shall furnish to the Department, within twenty-four hours after the completion of each event, a written and verified report on the form provided by the Department showing the number of tickets sold, unsold and given away and the amount of gross proceeds thereof for such events originating in the Commonwealth, and its total gross receipts from the sale of rights to distribute in any manner such event by any video, telephonic or other communication method involving the control of electrons or other charge carriers for such live events originating in the Commonwealth. Within the twenty-four-hour period, the promoter shall pay to the Department a fee of (i) five percent of the first \$100,000 of its total gross receipts; and (ii) two and one-half percent of the remainder of its total gross receipts. Records of the promoter shall be subject to audit by the Department.

B. Each cable television system or other multichannel video programming service shall report to the Department in writing the name and address of each person from whom it obtains the rights to provide a live event originating in the Commonwealth.

C. The Department shall hold all license fees in a special fund of the state treasury subject to

183 appropriation of the General Assembly. Payments from this fund shall be made to the contractors for
184 their services on behalf of the Commonwealth. No payment shall exceed the balance of the fund. The
185 Department shall draw from the fund to cover any expenses associated with the provisions of this
186 chapter.

187 **§ 54.1-834. Prohibited activities; penalties.**

188 A. No person licensed to conduct an event shall permit betting or wagering *shall be permitted at an*
189 *event or exhibition authorized to be conducted by a promoter or other licensee* before, during or after
190 the event in the building where the event is held.

191 B. No ~~boxer, promoter or trainer~~ licensee shall participate in a sham or fake boxing contest. The
192 Department shall have the authority to order, without a hearing, the person controlling the purse to hold
193 the distribution to contestants, promoters and trainers pending a public hearing by the Department. The
194 Department shall, simultaneously with the issuance of such order to retain the share or purse, institute
195 proceedings for a hearing to determine whether a sham or fake boxing contest has occurred.

196 C. ~~Any person convicted of a violation of this section shall be guilty of a Class 1 misdemeanor~~ *It*
197 *shall be a Class 1 misdemeanor for any person to violate this section or any statute or regulation*
198 *governing a profession regulated pursuant to this chapter.*

199 D. *The third or any subsequent conviction for violating any provision of this section during a*
200 *36-month period shall constitute a Class 6 felony.*

201 **2. That § 54.1-835 of the Code of Virginia is repealed.**

202 **3. That the provisions of this act shall become effective on October 1, 2015.**

203 **4. That the Director of the Department of Professional and Occupational Regulation shall convene**
204 **a work group of interested parties affected by the provisions of this act to determine an**
205 **appropriate method for holding professional-amateur events.**