

**SUBSTITUTE FOR
HOUSE BILL NO. 4167**

A bill to regulate amateur mixed martial arts; to establish the powers and duties of the Michigan unarmed combat commission under this act; to provide certain powers and duties for certain state agencies and departments; to license and regulate promoters of amateur mixed martial arts contests and events; to assess certain fees and fines; to establish the amateur mixed martial arts fund and provide for the use of the money in the fund; to authorize the promulgation of rules; and to provide penalties and remedies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "amateur mixed martial arts regulatory act".

3 Sec. 3. As used in this act:

1 (a) "Amateur" means an individual mixed martial artist who is
2 not competing and has never competed in a mixed martial arts
3 contest for a prize or who is not competing and has never competed
4 with or against a professional in a mixed martial arts contest for
5 a prize.

6 (b) "Applicant" means an individual who applies for a license
7 under this act.

8 (c) "Commission" means the Michigan unarmed combat commission
9 created in section 20 of the Michigan unarmed combat regulatory
10 act, 2004 PA 403, MCL 338.3620.

11 (d) "Contest" does not include a mixed martial arts
12 exhibition.

13 (e) "Contestant" means an individual who competes in an
14 amateur mixed martial arts contest or event.

15 (f) "Department" means the department of licensing and
16 regulatory affairs.

17 (g) "Director" means the director of the department or his or
18 her designee.

19 (h) "Event" means a program of 1 or more individual amateur
20 mixed martial arts contests.

21 (i) "Fund" means the amateur mixed martial arts fund created
22 in section 9.

23 (j) "License" means the document issued to an individual under
24 this act that enables him or her to engage in an activity that
25 would otherwise be prohibited under this act. The term includes an
26 initial license and any renewal license issued to an individual.

27 (k) "Medical professional" means a physician as defined in

1 section 17001 or 17501 of the public health code, 1978 PA 368, MCL
2 333.17001 and 333.17501.

3 (l) "Mixed martial arts" means the general term that describes
4 the convergence of techniques from a variety of combative sports
5 disciplines. The term includes boxing, wrestling, judo, jujitsu,
6 kickboxing, and other combination of techniques from different
7 disciplines of the martial arts.

8 (m) "Mixed martial arts exhibition" means a performance or
9 demonstration of mixed martial arts that meets all of the
10 following:

11 (i) The performance or demonstration is held at a promoter's
12 gym, dojo, or similar training facility or at a training center.

13 (ii) Participants in the performance or demonstration do not
14 pay a fee to participate.

15 (iii) Spectators do not pay a fee to attend the performance or
16 demonstration.

17 (n) "Prize" means money or another form of compensation or
18 reward offered or given to a contestant. The term does not include
19 a watch, medal, article of jewelry, trophy, or ornament that is
20 suitably inscribed to show that it is given for participation in a
21 contest or event and costs \$200.00 or less.

22 (o) "Professional" means an individual who is competing or has
23 competed in the past for a prize in any sport regulated under the
24 Michigan unarmed combat regulatory act, 2004 PA 403, MCL 338.3601
25 to 338.3663.

26 (p) "Promoter" means an individual who produces or stages an
27 amateur mixed martial arts contest or event. The term does not

1 include the venue where a contest or event is held unless the venue
2 contracts with the individual promoter to be a copromoter.

3 (q) "Proper medical clearance" means a certification by a
4 medical professional that a contestant is fit to compete in a
5 contest.

6 (r) "Training center" means an institution formed or operated
7 principally to provide instruction in mixed martial arts.

8 Sec. 5. This act does not apply to any of the following:

9 (a) Amateur wrestling.

10 (b) Amateur martial arts sports or activities held by and at a
11 public or private training center.

12 (c) A mixed martial arts exhibition.

13 (d) A contest or event conducted by or participated in
14 exclusively by an agency of the United States government, by a
15 school, college, or university, or by an organization composed
16 exclusively of those entities, if each contestant is an amateur.

17 Sec. 7. (1) The commission shall establish appropriate
18 disciplinary sanctions against licensees or other individuals who
19 violate this act or rules promulgated under this act.

20 (2) The commission shall meet as often as necessary to fulfill
21 its duties under this act.

22 (3) While serving as a member of the commission, an individual
23 shall not promote or sponsor any contest or event of amateur mixed
24 martial arts or have any financial interest in an entity that
25 promotes or sponsors any amateur mixed martial arts contests or
26 events.

27 Sec. 9. (1) Except as provided in section 7(1) concerning the

House Bill No. 4167 (H-3) as amended March 20, 2013

1 authority of the commission, the department is responsible for
2 administering and enforcing this act. All of the following apply to
3 the department's enforcement of this act:

4 (a) In enforcing this act, the department may initiate an
5 administrative or court action against an applicant or licensee or
6 take any other action against a licensee or his or her license that
7 is authorized under this act for a violation of this act.

8 (b) The department shall not take any action against an
9 applicant, licensee, or license under subdivision (a) more than 1
10 year after the occurrence of the violation of this act that is the
11 subject of the department's action.

12 (2) The amateur mixed martial arts fund is created in the
13 state treasury. All of the following apply to the fund:

14 (a) The department shall deposit into the fund all money
15 received from application fees, [registration fees,] license fees, and
administrative
16 fines imposed under this act.

17 (b) The state treasurer shall direct the investment of the
18 fund. The state treasurer shall credit to the fund interest and
19 earnings from fund investments.

20 (c) Money in the fund at the close of the fiscal year shall
21 remain in the fund and shall not lapse to the general fund.

22 (d) The department is the administrator of the fund for
23 auditing purposes.

24 (e) The department shall expend money from the fund, upon
25 appropriation, to administer and enforce this act and for its
26 expenditures under this act.

27 (3) The director shall promulgate rules to set standards for

1 mixed martial arts exhibitions and to protect the health and safety
2 of contestants participating in contests and exhibitions. The
3 director may promulgate any additional rules he or she considers
4 necessary to administer and enforce this act. The director shall
5 promulgate any rules described in this subsection under the
6 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
7 24.328.

8 Sec. 11. (1) An individual shall not hold or conduct an
9 amateur mixed martial arts contest or event in this state or engage
10 in any other activity regulated under this act unless the
11 individual holds a promoter's license under this act or the
12 individual is exempt from licensure under this act.

13 (2) An individual seeking a license under this act shall
14 submit a license application to the department, in writing and
15 under oath, accompanied by a nonrefundable application processing
16 fee and an annual license fee. The application shall be made on a
17 form provided by the department and shall include the legal name,
18 street address, and telephone number of the applicant and any other
19 information reasonably required by the department.

20 (3) An annual license under this act shall expire on September
21 30 of the calendar year following the year the license was issued.

22 (4) Beginning on the effective date of this act, the
23 nonrefundable application fee required under this section is
24 \$100.00 and the annual license fee required under this section is
25 \$300.00. Beginning 1 year after the effective date of this act, the
26 director may biannually adjust the amount of the fees described in
27 this section based on the increase or decrease for the immediately

1 preceding 6-month period in the Detroit consumer price index as
2 reported by the United States department of labor.

3 Sec. 13. By filing an application for a license under this
4 act, an applicant does both of the following:

5 (a) Certifies his or her general suitability, character,
6 integrity, and ability to participate in, engage in, or be
7 associated with amateur mixed martial arts contests or events. The
8 burden of proof is on the applicant to establish that the applicant
9 possesses suitability, character, and integrity and is qualified to
10 promote and participate in mixed martial arts amateur contests or
11 events.

12 (b) Accepts the risk of adverse public notice, embarrassment,
13 criticism, financial loss, or other action with respect to his or
14 her application and expressly waives any claim for damages as a
15 result of any adverse public notice, embarrassment, criticism,
16 financial loss, or other action.

17 Sec. 15. (1) An applicant is ineligible to receive a
18 promoter's license under this act if he or she meets any of the
19 following:

20 (a) He or she was convicted of a felony that involved
21 violence, theft, fraud, or an element of financial dishonesty under
22 the laws of this state or any other jurisdiction in the United
23 States in the 5-year period preceding the application.

24 (b) He or she has an unsatisfied tax lien in the amount of at
25 least \$5,000.00 under any federal, state, or local law at the time
26 of the application.

27 (c) He or she submitted an application for a license under

1 this act that contained false information.

2 (2) If the department does not issue an initial or renewal
3 license to an individual under this act, he or she may petition the
4 department and the commission for a review. The petition must be in
5 writing and set forth the reasons the petitioner believes that the
6 department should issue a license to him or her. The department may
7 issue a license to the petitioner if, based on a review of the
8 qualifications of the individual who submitted the petition, the
9 department and the commission determine that the individual could
10 perform as a promoter with competence.

11 Sec. 17. (1) An individual who fails to renew a license on or
12 before its expiration date shall not hold or conduct an amateur
13 mixed martial arts contest or event or advertise, operate, or use
14 the title "promoter" or "amateur promoter" after the expiration
15 date printed on the license.

16 (2) An individual who fails to renew a license on or before
17 its expiration date is permitted to renew the license within 60
18 days after the expiration date by meeting all requirements for
19 licensure under this act, paying the required license fee, and
20 paying a late renewal fee in the amount of \$30.00. After that 60-
21 day period, the individual may only obtain a license under this act
22 by complying with the requirements of section 11.

23 (3) Except as provided in subsection (4) or otherwise provided
24 in this act, an individual may seek reinstatement of a license
25 under this act by filing an application on a form provided by the
26 department, paying the application processing fee and annual
27 license fee, and filing a petition with the department that states

1 the reasons reinstatement is appropriate and includes evidence that
2 the individual can and is likely to serve the public in the
3 regulated activity with competence and in conformance with all
4 other requirements prescribed by law, rule, or an order of the
5 department.

6 (4) If a license is revoked or suspended by the department
7 under this act, the department may reinstate the revoked license or
8 lift a suspension if it receives an application for reinstatement
9 and is paid any administrative fine assessed by the commission.

10 Sec. 19. (1) In addition to the fees described in section 11,
11 a licensee shall pay a regulatory and enforcement fee of \$200.00
12 for each amateur mixed martial arts event presented by the
13 promoter. The department shall deposit regulatory and enforcement
14 fees it receives under this section in the fund. By December 1 of
15 each year, the department shall report to the legislature the
16 amount of revenue generated by the regulatory and enforcement fee
17 in the preceding state fiscal year.

18 (2) A licensee who presents an amateur mixed martial arts
19 event in this state must comply with all of the following:

20 (a) At least 5 business days before the event, pay the
21 regulatory and enforcement fee described in subsection (1) and
22 provide notice to the department that describes the event. The
23 department shall prescribe the form and contents of the notice
24 described in this subdivision.

25 (b) Pay all obligations related to the normal course of
26 promoting an amateur mixed martial arts event, including, but not
27 limited to, venue rent and judge, medical professional, referee,

1 and timekeeper fees.

2 (c) Arrange for a medical professional to attend the event for
3 purposes of subsection (3)(k), and arrange for an alternate medical
4 professional to attend the event if the original medical
5 professional is unable to attend the event. The licensee shall
6 include the name of the medical professional and alternate medical
7 professional described in this subdivision in the notice provided
8 to the department under subdivision (a).

9 (d) Maintain records of the amateur mixed martial arts event
10 for at least 1 year after the date of the scheduled event and make
11 those records available to the department or law enforcement
12 officials on request.

13 (3) A licensee presenting an amateur mixed martial arts event
14 in this state shall ensure that all of the following are met in the
15 conduct of the event:

16 (a) Except as provided in subdivision (b), each individual
17 contest consists of not more than 3 rounds, of not more than 3
18 minutes' duration, with at least a 1-minute rest period between
19 each round.

20 (b) Each individual national or international championship
21 contest consists of not more than 5 rounds, of not more than 5
22 minutes' duration, with at least a 1-minute rest period between
23 each round.

24 (c) Each contestant wears gloves, supplied by the promoter,
25 that weigh at least 4 ounces and not more than 8 ounces.

26 (d) The referee examines the gloves worn by each contestant
27 before and during a contest. If the referee finds that a glove is

1 misplaced, lumpy, broken, roughed, or otherwise unfit, the
2 contestant must change the glove before the start of the contest.

3 (e) Before a contestant participates in a contest, he or she
4 is weighed and placed in the appropriate weight class. As used in
5 this subdivision and subdivision (f), "weight class" means 1 of the
6 following:

7 (i) Flyweight, if he or she weighs 125.9 pounds or less.

8 (ii) Bantamweight, if he or she weighs 126 pounds or more and
9 not more than 135 pounds.

10 (iii) Featherweight, if he or she weighs 135.1 pounds or more
11 and not more than 145 pounds.

12 (iv) Lightweight, if he or she weighs 145.1 pounds or more and
13 not more than 155 pounds.

14 (v) Welterweight, if he or she weighs 155.1 pounds or more and
15 not more than 170 pounds.

16 (vi) Middleweight, if he or she weighs 170.1 pounds or more and
17 not more than 185 pounds.

18 (vii) Light heavyweight, if he or she weighs 185.1 pounds or
19 more and not more than 205 pounds.

20 (viii) Heavyweight, if he or she weighs 205.1 pounds or more and
21 not more than 265 pounds.

22 (ix) Super heavyweight, if he or she weighs more than 265
23 pounds.

24 (f) a contestant only participates in a contest with another
25 contestant who meets 1 of the following:

26 (i) The second contestant is in the same weight class.

27 (ii) The second contestant is in the next higher weight class,

House Bill No. 4167 (H-3) as amended April 10, 2013

1 if the first contestant agrees to participate with that heavier
2 contestant.

3 (g) Professional mixed martial artists who are subject to the
4 Michigan unarmed combat regulatory act, 2004 PA 403, MCL 338.3601
5 to 338.3663, do not participate as contestants in a contest.

6 (h) A contestant does not participate in a contest unless the
7 contestant has submitted medical certification of negative results
8 for hepatitis B and C and HIV tests conducted within the 180-day
9 period preceding the scheduled contest or event.

10 (i) A female contestant does not participate in a contest
11 unless the contestant has submitted the results of a pregnancy test
12 performed on the contestant within the 7-day period preceding the
13 event and the results of that pregnancy test are negative.

14 (j) An individual is not allowed to participate as a
15 contestant without proper medical clearance.

16 (k) The event does not take place or continue without a
17 medical professional [and an ambulance] at the event.

18 (l) The event does not take place or continue without a trained
19 and competent referee.

20 (m) An individual is not allowed to participate in a contest
21 if there is any reason to suspect that he or she is impaired or has
22 used or uses performance-enhancing drugs. As used in this
23 subdivision:

24 (i) "Impaired" means the inability or immediately impending
25 inability of an individual to safely participate in an amateur
26 mixed martial arts contest or event due to his or her substance
27 abuse, chemical dependency, or use of drugs or alcohol that does

1 not constitute substance abuse or chemical dependency.

2 (ii) "Chemical dependency" means that term as defined in
3 section 16106a of the public health code, 1978 PA 368, MCL
4 333.16106a.

5 (iii) "Substance abuse" means that term as defined in section
6 16106a of the public health code, 1978 PA 368, MCL 333.16106a.

7 (n) A professional is not allowed to participate as a
8 contestant in the event.

9 (o) If an individual lost a mixed martial arts contest or
10 exhibition by a technical knockout in the 30-day period preceding
11 the event, he or she is not allowed to participate as a contestant
12 unless he or she submits the results of a physical examination to
13 the promoter that indicate that he or she is fit to compete.

14 (p) The medical professional at the event determines the
15 status of a contestant who is knocked out in an amateur mixed
16 martial arts contest or whose fight is stopped by the referee
17 because he or she received hard blows to the head that made him or
18 her defenseless or incapable of continuing immediately after the
19 knockout or stoppage. The medical professional may recommend post-
20 fight neurological examinations, which may include performing
21 computerized axial tomography (CAT) scans or magnetic resonance
22 imaging (MRI) on the contestant immediately after the contestant
23 leaves the event venue.

24 (q) A contestant described in subdivision (p) does not compete
25 in another contest without proper medical clearance.

26 (r) If a medical professional recommended further neurological
27 examinations of a contestant under subdivision (p), the contestant

1 does not compete in another contest until the promoter receives
2 copies of the examination reports and the reports demonstrate that
3 the contestant is fit to compete.

4 (s) A contestant who sustains a severe injury or knockout in a
5 contest is examined by a medical professional and is not permitted
6 to compete in another contest until a medical professional
7 certifies that the contestant is fully recovered.

8 (t) An individual who meets all of the following does not
9 participate as a contestant:

10 (i) He or she participated in a contest or exhibition in the
11 60-day period preceding the event.

12 (ii) In the contest or exhibition described in subparagraph (i),
13 he or she was knocked out or the contest or exhibition was stopped
14 because he or she received excessive hard blows to the head.

15 (u) An individual who meets all of the following does not
16 participate as a contestant:

17 (i) He or she participated in multiple contests or exhibitions
18 before the event.

19 (ii) In any 90-day period, he or she was knocked out twice or 2
20 of his or her contests or exhibitions were stopped because he or
21 she received excessive hard blows to the head.

22 (iii) The second knockout or stoppage described in subparagraph
23 (ii) occurred in the 120-day period preceding the event.

24 (v) An individual who meets all of the following does not
25 participate as a contestant:

26 (i) He or she participated in multiple contests or exhibitions
27 before the event.

1 (ii) In any 12-month period, he or she was knocked out in 3
2 consecutive contests or exhibitions or 3 consecutive contests or
3 exhibitions were stopped because he or she received excessive hard
4 blows to the head.

5 (iii) The third knockout or stoppage described in subparagraph
6 (ii) occurred in the 1-year period preceding the event.

7 (w) If an individual was not allowed to participate as a
8 contestant in an earlier event because he or she met the
9 requirements of subdivision (t), (u), or (v) at the time of that
10 earlier event, he or she does not participate as a contestant
11 unless he or she provides the promoter with proper medical
12 clearance.

13 (x) Each contestant is insured for at least \$10,000.00 for any
14 medical and hospital expenses, including deductibles paid by the
15 contestant, to cover injuries sustained in a contest and for at
16 least \$10,000.00 to be paid in accordance with the statutes of
17 descent and distribution of individual property if the contestant
18 dies as a result of injuries received in a contest.

19 (y) Each contestant is at least 18 years of age.

20 (z) A contestant does not participate at more than 1 contest
21 at an event.

22 (aa) Each contestant in a contest is the same sex.

23 (bb) An individual does not participate as a contestant if he
24 or she participated in another contest in the 7-day period
25 preceding the event.

26 (cc) The results of each contest are reported to the
27 department within 48 hours after the conclusion of the event.

1 Sec. 20. (1) Before he or she participates in a contest or
2 exhibition, a contestant shall register with the department by
3 submitting a registration form with the department, that includes
4 his or her name, address, date of birth, and social security
5 number, accompanied by a nonrefundable registration processing fee
6 in the amount of \$25.00 and an annual registration fee in the
7 amount of \$25.00. A registration under this section expires at the
8 end of the calendar year in which the contestant submitted the
9 registration form. The department may prescribe the form and
10 contents of the registration form.

11 (2) The department shall assign a registration number to each
12 contestant that submits a registration form under subsection (1).

13 (3) In any notice, report, or other communication with the
14 department or commission that identifies or refers to a specific
15 contestant, including, but not limited to, the report of the
16 results of each contest under section 19(3)(cc), a licensee shall
17 include the registration number of that contestant assigned under
18 subsection (2).

19 (4) The department may revoke a contestant's registration if
20 he or she violates this section or provides false information in
21 his or her registration form.

22 Sec. 21. (1) An individual who does any of the following is
23 subject to the remedies and penalties described in this section:

24 (a) Violates this act or a rule promulgated or order issued
25 under this act.

26 (b) Practices fraud or deceit in obtaining a license.

27 (c) Practices fraud, deceit, or dishonesty in performing his

1 or her duties as a promoter.

2 (d) Practices false advertising.

3 (e) Fails to comply with a subpoena issued under this act.

4 (f) Fails to provide requested documents or records to the
5 department.

6 (g) Violates or fails to comply with a stipulation or
7 settlement agreement with or a final order issued by the department
8 or commission.

9 (h) Aids or abets another individual in promoting an amateur
10 mixed martial arts contest without a license.

11 (i) Fails to pay any obligation related to the normal course
12 of promoting an amateur mixed martial arts event, including, but
13 not limited to, venue rent or judge, medical professional, referee,
14 or timekeeper fees.

15 (j) Enters into a contract for an amateur mixed martial arts
16 contest or event in bad faith.

17 (k) Gambles on the outcome of an amateur mixed martial arts
18 contest or event of which he or she is a promoter.

19 (l) Fails to file current address information with the
20 department.

21 (m) Assaults another licensee, a commission member, or an
22 employee of the department.

23 (n) Tamper with or coerces another promoter's contestants.

24 (2) If a licensee violates this act or a rule or order
25 promulgated or issued under this act, the department may take 1 or
26 more of the following actions:

27 (a) Place a limitation on his or her license.

1 (b) Suspend his or her license.

2 (c) Deny him or her a license or renewal of a license.

3 (d) Revoke his or her license.

4 (e) Assess an administrative fine under section 35.

5 (f) Censure the licensee.

6 (g) Require that he or she pay restitution, based on proofs
7 submitted to and findings made by the hearings examiner after a
8 contested case. If restitution is required and the individual is a
9 licensee, the department may suspend his or her license until the
10 restitution is paid.

11 (3) An individual who violates this act is guilty of a
12 misdemeanor punishable by imprisonment for not more than 93 days or
13 a fine of not more than \$500.00, or both.

14 (4) An individual who violates this act a second or any
15 subsequent time is guilty of a misdemeanor punishable by
16 imprisonment for not more than 1 year or a fine of not more than
17 \$1,000.00, or both.

18 (5) An individual who knowingly allows a professional to
19 participate as a contestant in an amateur mixed martial arts
20 contest with an amateur is guilty of a felony punishable by
21 imprisonment for not more than 3 years or a fine of \$10,000.00 per
22 incident, or both.

23 (6) The department may bring an injunctive action in a court
24 of competent jurisdiction to restrain or prevent an individual from
25 violating this act. If successful in obtaining injunctive relief,
26 the department is entitled to its costs and reasonable attorney
27 fees.

1 (7) The department may conduct an investigation to enforce
2 this act. An individual who violates this act is subject to the
3 penalties and remedies described in this section.

4 (8) The penalties and remedies under this section are
5 independent and cumulative. The imposition of a remedy or penalty
6 against an individual under this section does not bar the pursuit
7 of any lawful remedy by that individual or the pursuit of a lawful
8 remedy by any other person against that individual.

9 Sec. 23. (1) Any person may file a written complaint with the
10 department alleging that an individual has violated this act or a
11 rule promulgated or an order issued under this act.

12 (2) If the department receives a complaint described in
13 subsection (1), the department immediately shall begin and pursue
14 an investigation of the allegations of the complaint. The
15 department shall acknowledge the complaint in writing within 15
16 days after it receives the complaint.

17 (3) For purposes of its investigation under this section, the
18 department may administer oaths; take testimony under oath; require
19 the appearance and testimony of witnesses, including the production
20 of books, records, or other documents; or request that the attorney
21 general petition a court of competent jurisdiction to issue a
22 subpoena requiring a person to appear before the department and be
23 examined with reference to any matter within the scope of the
24 investigation and to produce books, papers, or documents pertaining
25 to the investigation.

26 (4) If the department determines after conducting an
27 investigation under this section that there is not sufficient

1 evidence that there was a violation of this act or a rule
2 promulgated or an order issued under this act by the respondent,
3 the department shall close the complaint. The department shall
4 provide its reasons for closing the complaint to the complainant,
5 who then may provide additional information to reopen the
6 complaint, and to the respondent.

7 (5) If the department determines after conducting an
8 investigation under this section that there is sufficient evidence
9 that there was a violation of this act or a rule promulgated or an
10 order issued under this act by the respondent, the department or
11 the department of attorney general shall take appropriate action
12 against the respondent, which may include any of the following:

13 (a) Issuing a formal complaint.

14 (b) Obtaining a cease and desist order.

15 (c) Issuing an order of summary suspension under section 25.

16 (d) Seeking injunctive relief under section 21(6).

17 (6) At any time during its investigation or after it issues a
18 formal complaint, the department may meet with the complainant and
19 the respondent for an informal conference. At the meeting, the
20 department shall attempt to resolve issues raised in the complaint
21 and may attempt to aid the parties in reaching a formal settlement
22 or stipulation.

23 Sec. 25. (1) After it conducts an investigation under section
24 23, the department may issue an order summarily suspending a
25 license based on an affidavit by a person familiar with the facts
26 set forth in the affidavit or, if appropriate, based on an
27 affidavit on information and belief that an imminent threat to the

1 integrity of the sport of amateur mixed martial arts, the public
2 interest, or the welfare and safety of a contestant exists.

3 (2) If a promoter's license is summarily suspended under this
4 section, the promoter may petition the department to dissolve the
5 suspension order. After receiving a petition to dissolve a
6 suspension order, the department shall immediately schedule a
7 hearing to decide whether to grant or deny the requested relief.

8 (3) After the hearing concerning a petition to dissolve a
9 suspension order under subsection (2), the administrative law
10 hearings examiner shall dissolve the summary suspension order
11 unless sufficient evidence is presented that an imminent threat to
12 the integrity of the sport, the public interest, or the welfare and
13 safety of a contestant exists that requires emergency action and
14 continuation of the department's summary suspension order.

15 (4) The record created at a hearing to dissolve a summary
16 suspension order is considered part of the record of the complaint
17 at any subsequent hearing in a contested case.

18 Sec. 27. (1) If the department conducts an investigation under
19 section 23, the department after the investigation may order a
20 person to cease and desist violating this act or a rule promulgated
21 or order issued under this act.

22 (2) A person ordered to cease and desist under subsection (1)
23 may request a hearing on that order by filing a written request for
24 a hearing with the department within 30 days after the effective
25 date of the order.

26 (3) If a person violates a cease and desist order issued under
27 this act, the department of attorney general may apply to a court

1 of competent jurisdiction to restrain and enjoin, temporarily or
2 permanently, or both, the person from further violating the cease
3 and desist order.

4 Sec. 29. (1) A summary suspension order under section 25, a
5 cease and desist order under section 27, or injunctive relief
6 issued or granted in an action under section 21(6) concerning a
7 license is in addition to and not in place of an informal
8 conference; criminal prosecution; proceeding to impose a remedy
9 described in section 21(2); or any other action authorized under
10 this act.

11 (2) If the department conducts an investigation and prepares
12 or receives a formal complaint under section 23, the department
13 shall serve the formal complaint on the respondent and the
14 complainant. At the same time, the department shall serve the
15 respondent with a notice describing the compliance conference and
16 hearing process and offering the respondent a choice of 1 of the
17 following options:

18 (a) An opportunity to meet with the department to negotiate a
19 settlement of the matter.

20 (b) If the respondent is a licensee under this act, an
21 opportunity to demonstrate compliance before the department holds a
22 contested case hearing.

23 (c) An opportunity to proceed to a contested case hearing.

24 (3) A respondent who is served with a formal complaint under
25 this section may select, within 15 days after receiving the notice,
26 1 of the options described in subsection (2). If the respondent
27 does not notify the department of the selection of 1 of those

1 options within the time period described in this subsection, the
2 department shall proceed with a contested case hearing as described
3 in subsection (2)(c).

4 (4) At the discretion of the department, a member of the
5 commission may attend an informal conference described in
6 subsection (2)(a). The conference may result in a settlement,
7 consent order, waiver, default, or other method of settlement
8 agreed on by the parties and the department. A settlement may
9 include any remedy under section 21(2) or any other remedy
10 authorized under this act. The commission may reject a settlement
11 and require a contested case hearing.

12 (5) An employee of the department may represent the department
13 in any contested case hearing.

14 (6) This section does not prevent a person against whom a
15 complaint is filed from showing compliance with this act or a rule
16 promulgated or order issued under this act.

17 (7) The department or the department of the attorney general
18 may petition a court of competent jurisdiction to issue a subpoena
19 to require the person subpoenaed to appear or testify or produce
20 relevant documentary material for examination at a proceeding.

21 Sec. 31. (1) At the conclusion of a contested case hearing
22 conducted under section 29, the administrative law hearings
23 examiner shall submit a hearing report that includes findings of
24 fact and conclusions of law to the department, the department of
25 attorney general, and the commission. The examiner may recommend in
26 the hearing report the assessment of a penalty or remedy under this
27 act.

1 (2) An administrative law hearings examiner shall submit a
2 copy of a hearing report prepared under subsection (1) to the
3 complainant and to the respondent.

4 (3) Within 60 days after it receives an administrative law
5 hearings examiner's hearing report, the commission shall meet and
6 determine what penalty or remedy is appropriate. The commission
7 shall make its determination based on the administrative law
8 hearings examiner's report. The examiner shall make a transcript of
9 a hearing or a portion of the transcript available to the
10 commission on request. If a transcript or a portion of the
11 transcript is requested, the commission shall make its
12 determination of the penalty or remedy to assess under this act at
13 a meeting held within 60 days after it receives the transcript or
14 portion of the transcript.

15 (4) If the commission does not determine which penalty or
16 remedy to assess within the time period described in subsection
17 (3), the director may determine the appropriate remedy or penalty
18 and issue a final order.

19 (5) A member of the commission who has participated in an
20 investigation or administrative hearing on a complaint filed with
21 the department or who has attended an informal conference shall not
22 participate in making a final determination in a proceeding on that
23 complaint.

24 Sec. 33. (1) If a licensee violates this act or a rule or
25 order promulgated or issued under this act, the department may
26 impose an administrative fine on the licensee, in an amount of not
27 more than \$10,000.00 per violation. The commission may impose the

House Bill No. 4167 (H-3) as amended March 20, 2013

1 administrative fine in addition to, or in lieu of, any other
2 penalty or remedy under this act, including, but not limited to,
3 the penalties and remedies described in section 21, based on proofs
4 submitted to and findings made by the hearings examiner after a
5 contested case.

6 (2) If the department imposes an administrative fine under
7 this section, the department may also recover the costs of the
8 proceeding, including investigative costs, court costs, and
9 reasonable attorney fees. The department or the attorney general
10 may bring an action in a court of competent jurisdiction to recover
11 any administrative fines, investigative and other allowable costs,
12 court costs, and reasonable attorney fees. The filing of an action
13 to recover administrative fines and costs does not bar the
14 imposition of other penalty or remedy under this act.

15 [Enacting section 1. This act takes effect upon the expiration of
16 90 days after the date it is enacted into law.]