

Act No. 403
Public Acts of 2004
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**STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2004**

Introduced by Reps. Robertson, Gaffney, Vagnozzi, Palsrok, Sheen, Pappageorge, Hardman, McConico, Stewart, Rocca, Gielegem, Minore, Zelenko, Kolb, Jamnick, DeRossett, Richardville, Murphy, Voorhees, Hager, Meyer, Julian, Vander Veen, Howell, Hood, Farrah, Hopgood, Brandenburg, Bieda, Clack, DeRoche, Stakoe, Garfield, Gleason, Caswell, Hoogendyk, Sak, Stahl, Huizenga and Gillard

ENROLLED HOUSE BILL No. 4335

AN ACT to regulate certain forms of boxing; to create certain commissions and to provide certain powers and duties for certain state agencies and departments; to license and regulate certain persons engaged in boxing, certain persons connected to the business of boxing, and certain persons conducting certain contests and exhibitions; to confer immunity under certain circumstances; to provide for the conducting of certain tests; to assess certain fees; to create certain funds; to promulgate rules; to provide for penalties and remedies; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

Sec. 1. This act shall be known and may be cited as the "Michigan boxing regulatory act".

CHAPTER 1

Sec. 10. As used in this act:

(a) "Amateur" means a person who is not competing and has never competed for a money prize or who is not competing and has not competed with or against a professional for a prize and who is required to be registered by USA boxing.

(b) "Commission" means the Michigan boxing commission.

(c) "Complainant" means a person who has filed a complaint with the department alleging that a person has violated this act or a rule promulgated or an order issued under this act. If a complaint is made by the department, the director shall designate 1 or more employees of the department to act as the complainant.

(d) "Department" means the department of labor and economic growth.

(e) "Director" means the director of the department or his or her designee.

(f) "Employee of the department" means an individual employed by the department or a person under contract to the department whose duty it is to enforce the provisions of this act or rules promulgated or orders issued under this act.

(g) "Fund" means the Michigan boxing fund created in section 22.

(h) "Good moral character" means good moral character as determined and defined in 1974 PA 381, MCL 338.41 to 338.47.

Sec. 11. As used in this act:

(a) "Physician" means that term as defined in section 17001 or 17501 of the public health code, 1978 PA 368, MCL 333.17001 and 333.17501.

(b) "Professional" means a person who is competing or has competed in boxing for a money prize.

(c) "Promoter" means any person who produces or stages any professional contest or exhibition of boxing.

(d) "Purse" means the financial guarantee or any other remuneration for which professionals are participating in a contest or exhibition and includes the professional's share of any payment received for radio, television, or motion picture rights.

(e) "Respondent" means a person against whom a complaint has been filed who may be a person who is or is required to be licensed under this act.

(f) "Rule" means a rule promulgated under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(g) "School", "college", or "university" does not include an institution formed or operated principally to provide instruction in boxing and other sports.

Sec. 12. This act does not apply to any of the following:

(a) Professional or amateur wrestling.

(b) Amateur martial arts sports or activities.

(c) Contests or exhibitions conducted by or participated in exclusively by an agency of the United States government or by a school, college, or university or an organization composed exclusively of those entities if each participant is an amateur.

(d) Amateur boxing regulated by the amateur sports act of 1978, 36 USC 371.

(e) Boxing elimination contests regulated by section 50.

CHAPTER 2

Sec. 20. (1) The Michigan boxing commission, consisting of 7 voting members, appointed by the governor with the advice and consent of the senate, is created within the department. The director is appointed as a nonvoting ex officio member of the commission. A majority of the members appointed by the governor shall be licensees under this act. Budgeting, procurement, human resources, information technology, and related management functions of the commission shall be performed by the department.

(2) Except as otherwise provided in this subsection, the 7 members appointed by the governor shall serve a term of 4 years. Of the initial members appointed under this act, the terms of 2 of the members shall be 4 years, the term of 2 of the members shall be 2 years, and the term of 3 of the members shall be 1 year. The terms of members appointed by the governor are subject to the pleasure of the governor.

(3) Five members of the commission constitute a quorum for the exercise of the authority conferred upon the commission. A concurrence of at least 4 of the members, or a concurrence of a majority of those members who have not participated in an investigation or administrative hearing regarding a matter before the commission, is necessary to render a decision by the commission.

(4) A member of the commission shall not at any time during his or her service as a member promote or sponsor any contest or exhibition of boxing, or combination of those events, or have any financial interest in the promotion or sponsorship of those contests or exhibitions. The commission shall meet not less than 4 times per year, and upon request and at the discretion of the chair, the department shall schedule additional interim meetings.

(5) Except as otherwise provided in section 33(8), the records of the commission are subject to disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(6) Meetings of the commission are subject to the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

Sec. 21. A person who has a material financial interest in any club, organization, or corporation, the main object of which is the holding or giving of boxing contests or exhibitions is not eligible for appointment to the commission.

Sec. 22. (1) The commission shall elect 1 of its members as the chair of the commission. The commission may purchase and use a seal. The director may promulgate rules for the administration of this act but only after first consulting with the commission. The commission may request the department to promulgate a rule under section 38 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.238. Notwithstanding the time limit provided for in section 38 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.238, the department shall respond in writing to any request for rule promulgating by the commission within 30 calendar days after a request. The response shall include a reason and explanation for acceptance or denial of the request.

(2) The department shall promulgate rules to include all of the following:

(a) Number and qualifications of ring officials required at any exhibition or contest.

(b) Powers, duties, and compensation of ring officials.

(c) Qualifications of licensees.

(d) License fees not otherwise provided under this act.

(e) Any necessary standards designed to accommodate federally imposed mandates that do not directly conflict with this act.

(f) A list of enhancers and prohibited substances, the presence of which in a contestant is grounds for suspension or revocation of the license or other sanctions.

(3) A Michigan boxing fund is created as a revolving fund in the state treasury and administered by the director. The money in the fund is to be used for the costs of administration and enforcement of this act or for any costs associated with the administration of this act. Money remaining in the fund at the end of the fiscal year and interest earned shall be carried forward into the next fiscal year and shall not revert to the general fund. The department shall deposit into the fund all money received from the regulatory and enforcement fee, license fees, event fees, and administrative fines imposed under this act, and from any other source.

(4) Annually, the legislature shall fix the per diem compensation of the members of the commission. Travel or other expenses incurred by a commission member in the performance of an official function shall be payable by the department pursuant to the standardized travel regulations of the department of management and budget.

(5) The commission may affiliate with any other state or national boxing commission or athletic authority.

(6) The commission and department are vested with management, control, and jurisdiction over all boxing contests or exhibitions to be conducted, held, or given within the state of Michigan. Except for any contests or exhibitions exempt from this act, a contest or exhibition shall not be conducted, held, or given within this state except in compliance with this act. Any boxing or sparring contest conforming to the requirements of this act and to the rules of the department is considered to be a boxing contest and not a prize fight.

CHAPTER 3

Sec. 30. (1) A person shall not engage in or attempt to engage in an activity regulated under this act unless the person possesses a license issued by the department or unless the person is exempt from licensure under this act.

(2) A person who violates subsection (1) is guilty of a misdemeanor punishable by a fine of not more than \$500.00 or imprisonment for not more than 90 days, or both.

(3) A person who violates subsection (1) a second or any subsequent time is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00 or imprisonment for not more than 1 year, or both.

(4) Notwithstanding the existence and pursuit of any other remedy, an affected person may maintain injunctive action in a court of competent jurisdiction to restrain or prevent a person from violating subsection (1). If successful in obtaining injunctive relief, the affected person shall be entitled to actual costs and attorney fees. As used in this subsection, "affected person" means a person directly affected by the actions of a person suspected of violating subsection (1) and includes, but is not limited to, the commission, the department, or a member of the general public.

(5) An investigation may be conducted by the department to enforce this section. A person who violates this section is subject to the strictures prescribed in this section and section 43.

(6) The remedies under this section are independent and cumulative. The use of 1 remedy by a person shall not bar the use of other lawful remedies by that person or the use of a lawful remedy by another person.

Sec. 31. (1) An application for a license is a request for a determination of the applicant's general suitability, character, integrity, and ability to participate, engage in, or be associated with boxing contests or exhibitions. The burden of proof is on the applicant to establish to the satisfaction of the commission and the department that the applicant is qualified to receive a license.

(2) By filing an application, the applicant accepts the risk of adverse public notice, embarrassment, criticism, financial loss, or other action with respect to his or her application and expressly waives any claim for damages as a result of any adverse public notice, embarrassment, criticism, financial loss, or other action. Any written or oral statement made by any member of the commission or any witness testifying under oath that is relevant to the application and investigation of the applicant is immune from civil liability for libel, slander, or any other tort.

(3) An applicant must demonstrate good moral character. If the applicant for a license is denied a license due to lack of good moral character, the applicant may request an administrative hearing before a hearing officer designated by the commission. The commission, after the conduct of a hearing and upon receipt of the written findings and proposal for decision, may approve or recommend and the department may issue a license to him or her if the commission determines that the applicant's background does not reasonably relate to the activity or occupation for which he or she seeks

licensure and that the applicant has the ability at the current time, and is likely, to serve the public in a fair, honest, and open manner.

Sec. 32. A boxing contest or exhibition shall not be held or conducted in this state except under a promoter's license issued by the department as provided for in section 33.

Sec. 33. (1) An application for a promoter's license must be in writing and correctly show and define the applicant.

(2) Before any license for a boxing contest or exhibition is granted, the applicant for a promoter's license must file a bond with the department in an amount fixed by the department but not less than \$20,000.00, executed by the applicant as principal and by a corporation qualified under the laws of this state as surety, payable to the state of Michigan, and conditioned upon the faithful performance by the applicant of the provisions of this act. The department shall annually adjust the amount of the bond based upon the Detroit consumer price index. The bond must be purchased not less than 5 days before the contest or exhibition and may be used to satisfy payment for the professionals, costs to the department for ring officials and physicians, and drug tests.

(3) A promoter must apply for and obtain an annual license from the department in order to present a program of boxing contests or exhibitions. The annual license fee is \$250.00. The department shall request, and the applicant shall provide, such information as it determines necessary to ascertain the financial stability of the applicant.

(4) The promoter must pay an event fee of \$125.00.

(5) There is imposed a regulatory and enforcement fee upon the promoter to assure the integrity of the sport, the public interest, and the welfare and safety of the professionals in the amount of 3% of the total gross receipts from the sale, lease, or other exploitation of broadcasting, television, and motion picture rights, but not to exceed \$25,000.00 per contract, for events to which the following apply:

(a) The event is located in a venue with a seating capacity of over 5,000.

(b) The promoter proposes to televise or broadcast the event over any medium for viewing by spectators not present in the venue.

(c) The event is designed to promote professional contests in this state.

(6) At least 10 days before the event, the promoter shall submit the contract subject to the regulatory and enforcement fee to the department, stating the amount of the probable total gross receipts from the sale, lease, or other exploitation of broadcasting, television, and motion picture rights.

(7) The money derived from the regulatory and enforcement fee shall be deposited into the Michigan boxing fund created in section 22 and used for the purposes described in that section.

(8) A promoter shall, within 5 business days before a boxing contest or exhibition, convey to the department an executed copy of the contract relative to the boxing contest or exhibition. The copy of the contract is exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, except that the department may disclose statistical information on the number, types, and amounts of contracts so long as information regarding identifiable individuals or categories is not revealed.

Sec. 34. (1) The director, in consultation with the commission, may promulgate rules for the application and approval process for promoters. Until the rules are promulgated, the applicant shall comply with the standards described in subsection (2).

(2) The rules regarding the application process shall include at least the following:

(a) An initial application processing fee sufficient to cover the costs of processing, but not less than \$250.00.

(b) A requirement that background information be disclosed by the applicant who is an individual or by the principal officers or members and individuals having at least a 10% ownership interest in the case of any other legal entity, with emphasis on the applicant's business experience. This information must include at least 2 years of federal income tax returns of principal officers or members and individuals having at least a 10% ownership interest in the applicant and any financial information necessary to ascertain the financial stability of those persons. The department shall utilize the information described in this subdivision to ascertain the financial stability of the applicant.

(c) Information from the applicant concerning past and present civil lawsuits, judgments, and filings under the bankruptcy code that are not more than 7 years old.

(d) Any other relevant and material information considered necessary by the director upon consultation with the commission.

(3) The department may consult with the commission on issues related to the determination of an applicant's financial stability and shall refer the application to the commission if clear and convincing grounds for approval of the financial stability aspect of the application do not exist.

(4) As part of the approval process for promoters, the commission may require the applicant or his or her representative to be present at a commission meeting in which the application is considered.

Sec. 35. (1) The director, in consultation with the commission, shall promulgate rules to provide for license fees for all participants in the activities regulated by this act not otherwise provided for in this act, including, but not limited to, license fees for a physician, physician's assistant, nurse practitioner, referee, judge, matchmaker, timekeeper, professional boxer, contestant, or manager or a second of those persons.

(2) Until those rules are promulgated, the department shall charge those fees contained in section 49 of the state license fee act, 1979 PA 152, MCL 338.2249, for the licenses described in subsection (1).

CHAPTER 4

Sec. 40. A complaint which alleges that a person has violated this act or a rule promulgated or an order issued under this act shall be lodged with the department. The department of attorney general, the department, the commission, or any other person may file a complaint.

Sec. 41. (1) The department, upon receipt of a complaint, immediately shall begin its investigation of the allegations of the complaint and shall open a correspondence file. The department shall make a written acknowledgment of the complaint within 15 days after receipt of the complaint to the person making the complaint. If the complaint is made by the department, the director shall designate 1 or more employees of the department to act as the person making the complaint.

(2) The department shall conduct the investigation required under subsection (1). In furtherance of that investigation, the department may request that the attorney general petition a court of competent jurisdiction to issue a subpoena requiring a person to appear before the department and be examined with reference to a matter within the scope of the investigation and to produce books, papers, or documents pertaining to the investigation.

(3) The investigative unit of the department, within 30 days after the department receives the complaint, shall report to the director on the status of the investigation. If, for good cause shown, an investigation cannot be completed within 30 days, the director may extend the time in which a report may be filed.

(4) If the report of the investigative unit of the department does not disclose a violation of this act or a rule promulgated or an order issued under this act, the complaint shall be closed by the department. The reasons for closing the complaint shall be forwarded to the respondent and complainant, who then may provide additional information to reopen the complaint.

(5) If the report of the investigative unit made pursuant to subsection (3) discloses evidence of a violation of this act or a rule promulgated or an order issued under this act, the department or the department of attorney general shall prepare the appropriate action against the respondent which may be any of the following:

(a) A formal complaint.

(b) A cease and desist order.

(c) A notice of summary suspension subject to sections 42 and 48(7).

(6) At any time during its investigation or after the issuance of a formal complaint, the department may bring together the complainant and the respondent for an informal conference. At the informal conference, the department shall attempt to resolve issues raised in the complaint and may attempt to aid the parties in reaching a formal settlement or stipulation.

Sec. 42. (1) After an investigation has been conducted, the department may issue an order summarily suspending a license based on an affidavit by a person familiar with the facts set forth in the affidavit, or, if appropriate, based upon an affidavit on information and belief, that an imminent threat to the integrity of the sport, the public interest, and the welfare and safety of a professional exists. Thereafter, the proceedings described in this chapter shall be promptly commenced and decided.

(2) A person whose license has been summarily suspended under this section may petition the department to dissolve the order. Upon receiving a petition, the department immediately shall schedule a hearing to decide whether to grant or deny the requested relief.

(3) An administrative law hearings examiner shall grant the requested relief dissolving the summary suspension order, unless sufficient evidence is presented that an imminent threat to the integrity of the sport, the public interest, and the welfare and safety of a professional exists that requires emergency action and continuation of the department's summary suspension order.

(4) The record created at the hearing to dissolve a summary suspension order shall become part of the record on the complaint at a subsequent hearing in a contested case.

(5) A summary suspension of a professional for refusal or failure to submit to a drug test or for the presence of controlled substances, enhancers, prohibited drugs, or other prohibited substances, as described in section 48(7), shall proceed under this section.

Sec. 43. (1) After an investigation has been conducted, the director may order a person to cease and desist from a violation of this act or a rule promulgated or an order issued under this act.

(2) A person ordered to cease and desist may request a hearing before the department if a written request for a hearing is filed within 30 days after the effective date of the order.

(3) Upon a violation of a cease and desist order issued under this act, the department of attorney general may apply to a court of competent jurisdiction to restrain and enjoin, temporarily or permanently, or both, a person from further violating a cease and desist order.

Sec. 44. (1) A summary suspension order, cease and desist order, or injunctive relief issued or granted in relation to a license is in addition to and not in place of an informal conference; criminal prosecution; or proceeding to deny, revoke, or suspend a license; or any other action authorized by this act.

(2) After an investigation has been conducted and a formal complaint prepared, the department shall serve the formal complaint upon the respondent and the complainant. At the same time, the department shall serve the respondent with a notice describing the compliance conference and hearing process and offering the respondent a choice of 1 of the following opportunities:

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

(b) If the respondent is a licensee or registrant under this act, an opportunity to demonstrate compliance prior to holding a contested case hearing.

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

(3) A respondent upon whom service of a formal complaint has been made pursuant to this section may select, within 15 days after the receipt of notice, 1 of the options described in subsection (2). If a respondent does not select 1 of those options within the time period described in this section, then the department shall proceed to a contested case hearing as described in subsection (2)(c).

(4) An informal conference may be attended by a member of the commission, at the discretion of that commission, and may result in a settlement, consent order, waiver, default, or other method of settlement agreed upon by the parties and the department. A settlement may include the revocation or suspension of a license; censure; probation; restitution; or a penalty provided for in section 48. The commission may reject a settlement and require a contested case hearing.

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

(6) This chapter does not prevent a person against whom a complaint has been filed from showing compliance with this act or a rule promulgated or an order promulgated or issued under this act.

(7) If an informal conference is not held or does not result in a settlement of a complaint, the department shall allow the respondent an administrative hearing. A hearing under this section may be attended by a member of the commission.

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

Sec. 45. (1) At the conclusion of a hearing conducted under section 44(7), the administrative law hearings examiner shall submit a determination of findings of fact and conclusions of law to the department and the department of the attorney general and the commission, in a hearing report. The submitted hearing report may recommend the penalties to be assessed as prescribed in section 48.

(2) A copy of a hearing report shall be submitted to the person who made the complaint and to the person against whom the complaint was lodged.

(3) Within 60 days after receipt of an administrative law hearings examiner's hearing report, the commission shall meet and make a determination of the penalties to be assessed under section 48. The commission's determination shall be made on the basis of the administrative law hearings examiner's report. A transcript of a hearing or a portion of the transcript shall be made available to the commission upon request. If a transcript or a portion of the transcript is requested, the commission's determination of the penalty or penalties to be assessed under section 48 shall be made at a meeting within 60 days after receipt of a transcript or portion of the transcript.

(4) If the commission does not determine the appropriate penalty or penalties to be assessed within the time limits prescribed by subsection (3), the director may determine the appropriate penalty and issue a final order.

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

Sec. 46. (1) A person seeking a license or renewal under this act may petition the department and the commission for a review if that person does not receive a license or renewal.

(2) A petition submitted under subsection (1) shall be in writing and shall set forth the reasons the petitioner feels the licensure or renewal should be issued.

(3) In considering a petition submitted under subsection (1), the department and the commission may administer an alternative form of testing to the petitioner or conduct a personal interview with the petitioner, or both.

(4) The department may issue a license or renewal if, based on a review of the qualifications of the person who submitted a petition under subsection (1), the department and the commission determine that the person could perform the licensed activity with competence.

(5) Notwithstanding any other provision of this act, if a written grievance was lodged before the effective date of this act against a person licensed under an act repealed by this act, the proceedings on that grievance shall be conducted in the manner prescribed in the repealed act.

Sec. 47. (1) The department shall initiate an action under this chapter against an applicant or take any other allowable action against the license of any contestant, promoter, or other participant who the department determines has done any of the following:

(a) Enters into a contract for a boxing contest or exhibition in bad faith.

(b) Participates in any sham or fake boxing contest or exhibition.

(c) Participates in a boxing contest or exhibition pursuant to a collusive understanding or agreement in which the contestant competes or terminates the boxing contest or exhibition in a manner that is not based upon honest competition or the honest exhibition of the skill of the contestant.

(d) Is determined to have failed to give his or her best efforts, failed to compete honestly, or failed to give an honest exhibition of his or her skills in a boxing contest or exhibition.

(e) Is determined to have performed an act or engaged in conduct that is detrimental to a boxing contest or exhibition including, but not limited to, any foul or unsportsmanlike conduct in connection with a boxing contest or exhibition.

(f) Gambles on the outcome of a boxing contest or exhibition in which he or she is a contestant, promoter, matchmaker, ring official, or second.

(g) Assaults another licensee, commission member, or department employee while not involved in or while outside the normal course of a boxing contest or exhibition.

(2) The department, in consultation with the commission, shall promulgate rules to provide for both of the following:

(a) The timing of drug tests for contestants.

(b) Specific summary suspension procedures for boxing contestants and participants who test positive for drugs or fail to submit to a drug test, under section 48(4). The rules shall include the following:

(i) A procedure to allow the department to place the licensee upon the national suspension list.

(ii) An expedited appeal process for the summary suspension.

(iii) A relicensing procedure following summary suspension.

(3) An employee of the department must be present at all weigh-ins, medical examinations, contests, exhibitions, and matches to ensure that this act and rules are strictly enforced.

(4) Each promoter shall furnish each member of the commission present at a boxing contest or exhibition a seat in the area immediately adjacent to the boxing contest or exhibition. An additional seat shall be provided in the venue.

(5) The commission chair, a commission member assigned by the chair, or a department official designated by the commission chair shall have final authority involving any conflict at a contest, exhibition, or match and shall advise the chief inspector in charge accordingly. In the absence of the chair, an assigned member, or a department official designated by the commission chair, the chief inspector in charge shall be the final decision-making authority.

Sec. 48. (1) Upon receipt of an application for reinstatement and the payment of an administrative fine prescribed by the commission, the commission may reinstate a revoked license or lift a suspension. If disciplinary action is taken against a person under this act that does not relate to a boxing contest or exhibition, the commission may, in lieu of suspending or revoking a license, prescribe an administrative fine not to exceed \$10,000.00. If disciplinary action is taken against a person under this act that relates to the preparation for a boxing contest or an exhibition, the occurrence of a boxing contest or an exhibition, or any other action taken in conjunction with a boxing contest or an exhibition, the commission may prescribe an administrative fine in an amount not to exceed 100% of the share of the purse to which the holder of the license is entitled for the contest or exhibition or an administrative fine not to exceed \$100,000.00 in the case of any other person. This administrative fine may be imposed in addition to, or in lieu of, any other disciplinary action that is taken against the person by the commission.

(2) If an administrative fine is imposed under this section, the commission may recover the costs of the proceeding, including investigative costs and attorney fees. The department or the attorney general may bring an action in a court

of competent jurisdiction to recover any administrative fines, investigative and other allowable costs, and attorney fees. The filing of an action to recover fines and costs does not bar the imposition of other sanctions under this act.

(3) An employee of the department, in consultation with any commission member present, may issue an order to withhold the purse for 3 business days due to a violation of this act or a rule promulgated under this act. During that 72-hour time period, the commission may convene a special meeting to determine if the action of the employee of the department was warranted. If the commission determines that the action was warranted, the department shall offer to hold an administrative hearing as soon as practicable but within at least 7 calendar days.

(4) A professional or participant in a professional boxing contest or exhibition shall submit to a postexhibition test of body fluids to determine the presence of controlled substances, prohibited substances, or enhancers. The department shall promulgate rules to set requirements regarding preexhibition tests of body fluids to determine the presence of controlled substances, prohibited substances, or enhancers.

(5) The promoter is responsible for the cost of the testing performed under this section.

(6) The director shall withhold 10% of the purse in a contest or exhibition until the postcontest drug tests are available to the department. If the results do not confirm or demonstrate compliance with this act, the money withheld shall be deposited into the fund.

(7) Either of the following is grounds for summary suspension of the individual's license in the manner provided for in section 42:

(a) A test resulting in a finding of the presence of controlled substances, enhancers, or other prohibited substances as determined by rule of the commission.

(b) The refusal or failure of a contestant to submit to the drug testing ordered by an authorized person.

CHAPTER 5

Sec. 50. (1) Boxing elimination contests in which all of the following apply are exempt from this act:

(a) The contestants compete for prizes only in elimination contests and are not also professional boxers competing in 4 or more rounds of nonelimination boxing.

(b) Each bout is scheduled to consist of 3 or fewer 1-minute rounds, with contests conducted on no more than 2 consecutive calendar days.

(c) Competing contestants are prohibited from boxing for more than 12 minutes on each contest day.

(d) The contestants participating in the elimination contest are insured by the promoter for all medical and hospital expenses to be paid to the contestants to cover injuries sustained in the contest.

(e) A physician is in attendance at ringside and the physician has authority to stop the contest for medical reasons.

(f) All contestants pass a physical examination given by a physician, a licensed physician's assistant, or a certified nurse practitioner before the contest.

(g) A preliminary breath test is administered to each contestant which indicates a blood alcohol content of .02% or less.

(h) The promoter conducts the elimination contest in compliance with the following:

(i) A contestant who has lost by a technical knockout is not permitted to compete again for a period of 30 calendar days or until the contestant has submitted to the promoter the results of a physical examination equivalent to that required of professional boxers.

(ii) The ringside physician examines a contestant who has been knocked out in an elimination contest or whose fight has been stopped by the referee because he or she received hard blows to the head that made him or her defenseless or incapable of continuing immediately after the knockout or stoppage. The ringside physician may recommend post-fight neurological examinations, which may include computerized axial tomography (CAT) scans or magnetic resonance imaging (MRI), to be performed on the contestant immediately after the contestant leaves the location of the contest. The promoter shall not permit the contestant to compete until a physician has certified that the contestant is fit to compete. If the physician recommended further neurological examinations, the promoter shall not permit the contestant to compete until the promoter receives copies of examination reports demonstrating that the contestant is fit to compete.

(iii) The promoter requires that a contestant who has sustained a severe injury or knockout in an elimination contest be examined by a physician. The promoter shall not permit the contestant to compete until the physician has certified that the contestant has fully recovered.

(iv) The promoter does not permit a contestant to compete in an elimination contest for a period of not less than 60 days if he or she has been knocked out or has received excessive hard blows to the head that required the fight to be stopped.

(v) A contestant who has been knocked out twice in a period of 3 months or who has had excessive head blows causing a fight to be stopped is not permitted by a promoter to participate in an elimination contest for a period of not less than 120 days from the second knockout or stoppage.

(vi) A contestant who has been knocked out or had excessive hard blows to the head causing a fight to be stopped 3 times consecutively in a period of 12 months is not permitted by a promoter to participate in an elimination contest for a period of 1 year from the third knockout.

(vii) Before resuming competition after any of the periods of rest prescribed in subparagraphs (iv), (v), and (vi), a promoter requires the contestant to produce a certification by a physician stating that the contestant is fit to take part in an elimination contest.

(2) As part of the physical examination given before the boxing elimination contest, the physician, licensed physician's assistant, certified nurse practitioner, or other trained person shall administer a preliminary breath test in compliance with standards imposed in rules promulgated by the department of state police regarding equipment calibration and methods of administration. The promoter shall keep a log of preliminary breath test results of contestants on file at its place of business for at least 3 years after the date of administration of the test. These results shall be made available to law enforcement officials upon request.

Sec. 51. (1) A physician, licensed physician's assistant, certified nurse practitioner, referee, judge, matchmaker, timekeeper, professional boxer, contestant, or manager, or a second of those persons, shall obtain a participant license from the department before participating either directly or indirectly in a boxing contest or exhibition.

(2) An application for a participant license shall be in writing, shall be verified by the applicant, and shall set forth those facts requested by and conform to the rules promulgated by the department.

(3) The department shall issue a passport with each professional contestant's license.

(4) The commission or a member of the commission has standing to contest the issuance or nonissuance of an exhibition or other license by written or electronic communication to the department.

Sec. 52. (1) A person seeking a license under this act as a judge or referee may be required to satisfactorily pass an examination or training program acceptable to the department.

(2) A person seeking a license under this act as a judge, referee, or contestant shall pass a physical examination that is performed by a licensed physician, a licensed physician's assistant, or a certified nurse practitioner acceptable to the department and the commission.

(3) Until the expiration of 1 year after the effective date of this act, the department shall issue an equivalent license without an examination to a person who is licensed in any capacity under former article 8 of the occupational code, 1980 PA 299, on the effective date of this act upon application on a form provided by the department.

Sec. 53. (1) In addition to the requirements of section 52, a person seeking a license as a professional referee, judge, or timekeeper shall referee, judge, or keep time for a minimum of 300 rounds of amateur competitive boxing.

(2) After a person has successfully completed the requirements of section 51(2) and subsection (1), the department may issue the person a license.

Sec. 54. (1) In addition to the requirements of section 53, a person seeking a license as a professional judge shall score, unofficially, not fewer than 200 rounds of amateur boxing. In order to fulfill the requirements of this subsection, an applicant shall only unofficially judge contests that are approved by the commission for that purpose. An applicant shall not receive compensation for judging boxing contests or exhibitions under this subsection. Scorecards shall be transmitted to the department and the commission for review and evaluation.

(2) An employee authorized by the department or the commission shall complete a standardized evaluation sheet for each boxing contest or exhibition judged by a licensee. The commission shall annually review the evaluation sheets. A commission member attending a boxing contest or exhibition may also submit to the department a standardized evaluation sheet.

Sec. 55. (1) A professional participating in a boxing contest or exhibition shall be insured by the promoter for not less than \$50,000.00 for medical and hospital expenses to be paid to the contestant to cover injuries sustained in the contest and for not less than \$50,000.00 to be paid in accordance with the statutes of descent and distribution of personal property if the contestant should die as a result of injuries received in a boxing contest or exhibition.

(2) A promoter shall pay the policy premium and deductible regarding any medical or hospital expenses for a contestant's injuries.

Sec. 56. (1) A professional boxing contest or exhibition shall be of not more than 10 rounds in length, except a boxing contest or exhibition which involves a national or international championship may last not more than 12 rounds in the

determination of the department. The contestants shall wear during a contest gloves weighing at least 8 ounces each. Rounds shall be not longer than 3 minutes, with not less than 1-minute rest between rounds.

(2) A professional or participant in a boxing contest or exhibition shall be certified to be in proper physical condition by a licensed physician, a licensed physician's assistant, or a certified nurse practitioner before participating in a boxing contest or exhibition. The department shall designate any medical test that may be required to determine if the individual is in proper physical condition.

Sec. 57. (1) A licensed physician shall be in attendance at each boxing contest or exhibition. The physician shall observe the physical condition of the contestants and advise the referee or judges with regard to the health of those contestants. The physician shall examine each contestant before entering the ring.

(2) The licensed physician shall file with the commission the report of the physical examination of a contestant not later than 24 hours after termination of the boxing contest or exhibition.

(3) If, in the opinion of the physician, the health or safety of a contestant requires that the boxing contest or exhibition in which he or she is participating be terminated, the physician shall notify the referee. The referee shall terminate the boxing contest or exhibition.

Sec. 58. (1) If a contestant or participant loses consciousness during or as a result of a boxing contest or exhibition in which he or she participates, he or she shall not again be eligible to participate in a boxing contest or exhibition in this state unless examined by a physician appointed by the commission and unless the physician certifies the contestant's or participant's fitness to participate.

(2) The contestant or participant shall pay the cost of the examination conducted under subsection (1).

CHAPTER 6

Sec. 60. (1) Article 8 of the occupational code, 1980 PA 299, MCL 339.801 to 339.814, is repealed 90 days after the date this act is enacted.

(2) Section 49 of the state license fee act, 1979 PA 152, MCL 338.2249, is repealed on the effective date of the rules promulgated under sections 22(2)(d) and 35.

Sec. 61. Except as rescinded, rules promulgated under former article 8 of the occupational code, 1980 PA 299, MCL 339.801 to 339.814, retain authorization under this act.

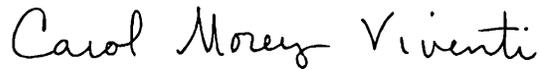
Sec. 62. This act takes effect 90 days after the date it is enacted.

Sec. 63. This act does not take effect unless House Bill No. 4336 of the 92nd Legislature is enacted into law.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved

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Governor