

HOUSE BILL No. 4295

February 17, 2011, Introduced by Reps. Agema, Hooker, Pettalia, Rendon, Bumstead, Huuki, Tyler, Forlini, Glardon, Zorn, Foster, LeBlanc, Meadows, Potvin, Santana and Womack and referred to the Committee on Regulatory Reform.

A bill to regulate amateur mixed martial arts; to create certain commissions and provide certain powers and duties for certain state agencies and departments; to license and regulate certain persons engaged in, and connected to, the business of amateur mixed martial arts 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 and fines; to create certain funds; to promulgate rules; and to provide for 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".

CHAPTER 1

1 Sec. 10. As used in this act:

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

7 (b) "Brazilian ju-jitsu", also known as "Gracie ju-jitsu",
8 means a martial art developed in Brazil by the Gracie family during
9 the mid-twentieth century with a major emphasis on ground fighting
10 and grappling.

11 (c) "Choke" means a submission technique that restricts blood
12 flow in the carotid arteries, resulting in a competitor's either
13 tapping out or losing consciousness. Some of the most frequently
14 employed chokes are the guillotine choke, rear-naked choke, leg
15 triangle choke, and arm triangle choke.

16 (d) "Commission" means the amateur mixed martial arts
17 commission created in section 21.

18 (e) "Complainant" means a person who has filed a complaint
19 with the department alleging that a person has violated this act or
20 a rule promulgated or order issued under this act.

21 (f) "Contestant" means an individual who competes in an
22 amateur mixed martial arts contest or performs or demonstrates
23 mixed martial arts in an amateur mixed martial arts exhibition.

24 (g) "Department" means the department of energy, labor, and
25 economic growth.

26 (h) "Director" means the director of the department.

27 (i) "Employee of the department" means an individual employed

1 by the department or a person under contract to the commission
2 whose duty it is to enforce the provisions of this act or rules
3 promulgated or orders issued under this act.

4 (j) "Fish-hooking" means the action of hooking or grasping and
5 pulling the inside of an opponent's cheek so as to control his or
6 her head movement.

7 (k) "Freestyle wrestling" means an Olympic grappling sport
8 that permits contestants to attack their opponent above and below
9 the waist.

10 (l) "Fund" means the amateur mixed martial arts fund created in
11 section 22.

12 (m) "Good moral character" means good moral character as
13 determined and defined under 1974 PA 381, MCL 338.41 to 338.47.

14 (n) "Grappling" means a technique of throwing, locking,
15 holding, and wrestling, as opposed to kicking and punching.

16 (o) "Greco-Roman wrestling" means an Olympic grappling sport
17 in which all holds are applied above the waist in an attempt to
18 throw the opponent.

19 (p) "Ground and pound" means a term that describes the barrage
20 of strikes delivered by the contestant who is in his or her
21 opponent's guard or in the mount position.

22 Sec. 11. As used in this act:

23 (a) "Hammer-fist" means a strike with the small finger side of
24 the fist, as if holding a hammer.

25 (b) "Ju-jitsu" means gentle art, a traditional Japanese self-
26 defense that includes kicking, striking, kneeing, throwing,
27 choking, and joint locks.

1 (c) "Judo" means the gentle way, a grappling art created by
2 Jigoro Kano, based on the techniques of ju-jitsu.

3 (d) "Kickboxing" means a striking sport that permits punches,
4 kicks, and knees.

5 (e) "Licensed professional promoter" means a person who holds
6 a current license as a promoter under the Michigan unarmed combat
7 regulatory act, 2004 PA 403, MCL 338.3601 to 338.3663.

8 (f) "Mixed martial arts" means a general term that describes
9 the convergence of techniques from a variety of combative sports
10 disciplines, including boxing, wrestling, judo, ju-jitsu,
11 kickboxing, and others. Mixed martial arts techniques include the
12 use of Brazilian ju-jitsu, chokes, freestyle wrestling, grappling,
13 pankration, Greco-Roman wrestling, shooting, ground and pound,
14 hammer-fist, judo, ju-jitsu, kickboxing, and muay Thai. Mixed
15 martial arts techniques do not include the use of fish-hooking and
16 spiking.

17 (g) "Muay Thai" means a pure striking art in which blows are
18 delivered with the hands, feet, knees, and elbows.

19 (h) "Pankration" means an ancient style of Greek wrestling and
20 boxing in which kicks, throws, and joint locks are used.

21 (i) "Participant" means a referee, judge, matchmaker, or
22 timekeeper, a contestant, or a manager or second of a contestant.

23 (j) "Physician" means that term as defined in section 17001 or
24 17501 of the public health code, 1978 PA 368, MCL 333.17001 and
25 333.17501.

26 (k) "Professional" means an individual who is competing or has
27 competed in the past in any professional sport for a money prize.

(l) "Promoter" means any person who produces or stages any contest or exhibition of amateur mixed martial arts, but does not include the venue where the exhibition or contest is being held unless the venue contracts with the individual promoter to be a co-promoter.

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

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

(o) "School", "college", or "university" does not include an institution formed or operated principally to provide instruction in amateur mixed martial arts and other sports.

(p) "Shoot" means a wrestling technique in which a competitor attempts to capture his or her opponent's legs and take him or her off his or her feet.

(q) "Spike" or "spiking" means, after lifting and inverting an opponent, attempting to slam him or her headfirst into the canvas.

(r) "Strikes" means a cumulative number of punches administered by a contestant to his or her opponent.

CHAPTER 2

Sec. 20. This act does not apply to any of the following:

(a) Amateur wrestling.

(b) Amateur martial arts sports or activities held by a public or private school.

(c) Contests or exhibitions conducted by or participated in exclusively by an agency of the United States government or by a

1 school, college, or university, or an organization composed
2 exclusively of those entities, if each contestant is an amateur.

3 Sec. 21. (1) The amateur mixed martial arts commission is
4 created in the department. The commission shall consist of 7 voting
5 members appointed by the governor. The purpose of the commission is
6 to administer, enforce, and regulate a program of amateur mixed
7 martial arts.

8 (2) The commission is an independent and autonomous entity
9 within the department. The department shall control budgeting,
10 procurement, human resources, information technology, and related
11 management functions of the commission.

12 (3) The commission shall consist of the director, serving as a
13 nonvoting ex officio member of the commission, and 7 voting members
14 appointed by the governor with the advice and consent of the
15 senate, as follows:

16 (a) Four voting members who are licensees under this act.
17 However, subject to subsection (4), an initial member of the
18 commission who meets any of the following is considered a licensee
19 for purposes of this subdivision:

20 (i) Is certified or otherwise approved by a national
21 organization that certifies or otherwise approves individuals in
22 the amateur mixed martial arts.

23 (ii) Has actively engaged in amateur mixed martial arts or
24 taught in an educational institution that prepares applicants for
25 licensure, or a combination of both, for not less than the 2 years
26 immediately preceding his or her appointment.

27 (b) Three voting members who are members of and represent the

1 general public.

2 (4) Beginning 3 years after the effective date of this act, an
3 initial member of the commission described in subsection (3)(a)(i)
4 or (ii) is not considered a licensee for purposes of subsection
5 (3)(a) unless he or she has obtained a license under this act
6 within that period.

7 (5) The governor shall appoint the initial members of the
8 commission to serve for the following terms of office:

9 (a) Two of the members who are licensees and 1 of the members
10 representing the general public, 4 years.

11 (b) One of the members who is a licensee and 1 of the members
12 representing the general public, 3 years.

13 (c) One of the members who is a licensee and 1 of the members
14 representing the general public, 2 years.

15 (6) Except as provided in subsection (5), members of the
16 commission shall serve for a term of 4 years.

17 (7) Five members of the commission constitute a quorum for the
18 exercise of the authority of the commission. The agreement of at
19 least 4 of the members, or the agreement of a majority of those
20 members who have not participated in an investigation or
21 administrative hearing regarding a matter before the commission, is
22 necessary for a commission action or decision.

23 (8) While serving as a member of the commission, an individual
24 shall not promote or sponsor any contest or exhibition of amateur
25 mixed martial arts or have any financial interest in the promotion
26 or sponsorship of any contest or exhibition of amateur mixed
27 martial arts. However, this prohibition does not apply to a member

1 involved in a charity event promoting the sport or in an awards
2 event naming the best in sport.

3 (9) The commission shall meet at least 4 times per year and
4 shall in the discretion of the chair schedule additional interim
5 meetings.

6 (10) The records of the commission are subject to the freedom
7 of information act, 1976 PA 442, MCL 15.231 to 15.246.

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

10 Sec. 22. (1) The commission shall elect 1 of its members as
11 the chair of the commission. The commission may have and use a
12 seal. The department may promulgate rules for the administration of
13 this act, but only after first consulting with the commission. The
14 commission may request the department to promulgate a rule under
15 section 38 of the administrative procedures act of 1969, 1969 PA
16 306, MCL 24.238. Notwithstanding the time limit provided for in
17 section 38 of the administrative procedures act of 1969, 1969 PA
18 306, MCL 24.238, the department shall respond in writing to any
19 request for rule promulgation by the commission within 30 calendar
20 days after a request. The response shall include a reason and
21 explanation for acceptance or denial of the request.

22 (2) An amateur mixed martial arts fund is created as a
23 revolving fund in the state treasury. The director shall administer
24 the fund. The director shall use the money in the fund only for the
25 costs of enforcement of this act and for any costs associated with
26 the administration of this act, including, but not limited to,
27 reimbursing the department of attorney general for the reasonable

1 costs of services provided to the department under this act. Money
2 remaining in the fund at the end of the fiscal year and interest
3 earned shall be carried forward into the next fiscal year and shall
4 not revert to the general fund. The department shall deposit into
5 the fund all money received from license fees, regulatory and
6 enforcement fees, event fees, and administrative fines imposed
7 under this act and money received from any other source. The
8 department is the administrator of the fund for auditing purposes.

9 (3) Annually, the legislature shall fix the per diem
10 compensation of the members of the commission. The department shall
11 reimburse a commission member for travel or other expenses incurred
12 in the performance of an official function pursuant to the
13 standardized travel regulations of the department of technology,
14 management, and budget.

15 (4) The commission may affiliate with any other state or
16 national mixed martial arts commission or athletic authority. If
17 approved by the director, the commission may enter into any
18 appropriate reciprocity agreements with those commissions or
19 authorities.

20 (5) The commission and department are vested with supervision,
21 control, and jurisdiction over all amateur mixed martial arts
22 contests or exhibitions that are conducted, held, or given in this
23 state. Except for a contest or exhibition that is exempt from this
24 act, a person shall not conduct, hold, or give a contest or
25 exhibition in this state except in compliance with this act.

26 (6) In consultation with the commission, the director shall
27 promulgate the following rules:

1 (a) Rules to establish the procedures and standards of the
2 conduct of amateur mixed martial arts contests or exhibitions under
3 this act. The rules may, in whole or in part, adopt by reference
4 any existing standards considered appropriate by the director and
5 the commission.

6 (b) Rules to impose annual and participant license fees for
7 participants. The participant license fee for a contestant shall
8 not exceed \$20.00 for a contest or exhibition.

9 (c) Rules for the application and approval process for
10 promoters under section 34.

11 (d) Rules for certain drug and disease tests and summary
12 suspension procedures under section 47(2).

13 (7) The department shall promulgate rules to address all of
14 the following:

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

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

18 (c) Qualifications of licensees.

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

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

24 CHAPTER 3

25 Sec. 30. (1) A person shall not engage in an activity
26 regulated under this act unless the person is licensed by the
27 department to engage in that activity or unless the person is

1 exempt from licensure under this act.

2 (2) A person that violates subsection (1) is guilty of a
3 misdemeanor punishable by a fine of not more than \$500.00 or
4 imprisonment for not more than 93 days, or both.

5 (3) A person that violates subsection (1) a second or any
6 subsequent time is guilty of a misdemeanor punishable by a fine of
7 not more than \$1,000.00 or imprisonment for not more than 1 year,
8 or both. A person that knowingly allows a professional to
9 participate as a contestant in an amateur mixed martial arts
10 contest with an amateur is guilty of a felony punishable by a fine
11 of \$10,000.00 per incident or imprisonment for not more than 3
12 years, or both.

13 (4) An affected person may maintain injunctive action in a
14 court of competent jurisdiction to restrain or prevent a person
15 from violating subsection (1). If successful in obtaining
16 injunctive relief, the affected person is entitled to actual costs
17 and attorney fees. As used in this subsection, "affected person"
18 means a person directly affected by the actions of a person
19 suspected of violating this act and includes, but is not limited
20 to, the commission, the department, or a member of the general
21 public.

22 (5) An investigation may be conducted by the department to
23 enforce this act. A person that violates this act is subject to the
24 penalties and remedies described in this section and section 43.

25 (6) The remedies under this section are independent and
26 cumulative. The use of a remedy by a person under this section does
27 not bar the pursuit of any other lawful remedy by that person or

1 the pursuit of a lawful remedy by any other person.

2 Sec. 31. By filing an application for licensure, an applicant
3 does both of the following:

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

10 (b) Accepts the risk of adverse public notice, embarrassment,
11 criticism, financial loss, or other action with respect to his or
12 her application and expressly waives any claim for damages as a
13 result of any adverse public notice, embarrassment, criticism,
14 financial loss, or other action. Any member of the commission or
15 any witness testifying under oath regarding an application and
16 investigation of the applicant is immune from civil liability for
17 libel, slander, or any other tort in connection with any written or
18 oral statement made by that person.

19 Sec. 32. A person shall not hold or conduct an amateur mixed
20 martial arts contest or exhibition in this state without a
21 promoter's license issued by the department under section 33.

22 Sec. 33. (1) An application for a promoter's license shall be
23 in writing and shall include the legal name, street address, and
24 telephone number of the applicant and any other information
25 reasonably required by the department. If the applicant is a
26 licensed professional promoter, a copy of his or her license under
27 the Michigan unarmed combat regulatory act, 2004 PA 403, MCL

1 338.3601 to 338.3663.

2 (2) An applicant for a promoter's license who is not a
3 licensed professional promoter shall demonstrate good moral
4 character to receive a license. If the applicant is denied a
5 license due to a lack of good moral character, the applicant may
6 petition the commission for a review of the decision under section
7 46.

8 (3) A promoter shall apply for and obtain an annual license
9 from the department in order to present a program of amateur mixed
10 martial arts contests or exhibitions. The annual license fee is
11 \$300.00. Unless the applicant is a licensed professional promoter,
12 the department shall request, and the applicant shall provide, any
13 information the commission determines is necessary to ascertain the
14 financial stability of the applicant.

15 (4) If an applicant is a licensed professional promoter, the
16 department shall issue a promoter license to the applicant if the
17 applicant submits an application, including a copy of the
18 applicant's license under the Michigan unarmed combat regulatory
19 act, 2004 PA 403, MCL 338.3601 to 338.3663, and the application
20 processing fee described in section 34(2)(a).

21 (5) For the purpose of assuring the integrity of the sport,
22 the public interest, and the welfare and safety of the
23 participants, each promoter shall pay a regulatory and enforcement
24 fee of 2% of the gross ticket sales or \$300.00, whichever is
25 greater, for each amateur mixed martial arts contest or exhibition
26 presented by the promoter during the 1-year period beginning on the
27 effective date of this act. The promoter shall submit a

1 standardized reporting form of gross ticket sales and fee, in the
2 form determined by the department, to the department not less than
3 5 business days after the event date. The department shall deposit
4 the fee into the fund created in section 22. At the end of the 12-
5 month period described in this subsection, the department shall
6 report to the legislature the amount of revenue generated by the
7 fee imposed under this subsection.

8 (6) After the expiration of the 1-year period described in
9 subsection (5), a promoter shall pay an event fee, in an amount
10 determined by the department, to pay for the inspection and the
11 officials at each event.

12 Sec. 34. (1) The director, in consultation with the
13 commission, may promulgate rules for the application and approval
14 process for promoters. Until the rules are promulgated, the
15 applicant shall comply with the standards described in subsection
16 (2).

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

19 (a) An initial application processing fee, in an amount
20 sufficient to cover the costs of processing, but not less than
21 \$300.00.

22 (b) A requirement for disclosure of background information by
23 the applicant if the applicant is an individual, or by the
24 principal officers or members and individuals who have at least a
25 10% ownership interest if the applicant is any other legal entity,
26 with emphasis on the applicant's business experience.

27 (c) Information from the applicant that is not more than 7

1 years old concerning past and present civil lawsuits, judgments,
2 and filings under the bankruptcy code.

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

5 (3) As part of the approval process for promoters, the
6 commission may require that the applicant or his or her
7 representative is present at the commission meeting at which a
8 review described in section 33(2) or 46 is considered.

9 CHAPTER 4

10 Sec. 40. The department of attorney general, the department,
11 the commission, or any other person may file a written complaint
12 with the commission alleging that a person has violated this act or
13 a rule promulgated or an order issued under this act. The
14 commission shall forward any complaint filed under this section to
15 the department for investigation.

16 Sec. 41. (1) If the department receives a complaint described
17 in section 40, the department immediately shall begin an
18 investigation of the allegations of the complaint and shall open a
19 correspondence file for tracking purposes. The department shall
20 acknowledge the complaint in writing within 30 days after it
21 receives the complaint. If the department submitted the complaint,
22 the department shall designate 1 or more employees of the
23 department to investigate and report all findings.

24 (2) The department shall conduct the investigation required
25 under subsection (1). As part of that investigation, the department
26 may request that the attorney general petition a court of competent
27 jurisdiction to issue a subpoena requiring a person to appear

1 before the department and be examined with reference to any matter
2 within the scope of the investigation and to produce books, papers,
3 or documents pertaining to the investigation.

4 (3) Within 60 days after the department receives a complaint
5 described in section 40, the investigative unit of the department
6 shall report to the director on the status of the investigation
7 under subsection (2). If, for good cause shown, the investigation
8 cannot be completed within 60 days, the department may extend the
9 60-day time period for filing the report.

10 (4) If the report of the investigative unit of the department
11 does not disclose a violation of this act or a rule promulgated or
12 an order issued under this act, the department shall close the
13 complaint. The department shall provide its reasons for closing the
14 complaint to the respondent and complainant, who then may provide
15 additional information to reopen the complaint.

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

22 (a) A formal complaint.

23 (b) A cease and desist order.

24 (c) A notice of summary suspension under section 42.

25 (6) At any time during its investigation or after the issuance
26 of a formal complaint, the department may bring together the
27 complainant and the respondent for an informal conference. At the

1 informal conference, the department shall attempt to resolve issues
2 raised in the complaint and may attempt to aid the parties in
3 reaching a formal settlement or stipulation.

4 Sec. 42. (1) After it conducts an investigation under section
5 41, the department may issue an order summarily suspending a
6 license based on an affidavit by a person familiar with the facts
7 set forth in the affidavit or, if appropriate, based on an
8 affidavit on information and belief that an imminent threat to the
9 integrity of the sport of mixed martial arts, the public interest,
10 or the welfare and safety of a contestant exists.

11 (2) A person whose license is summarily suspended under this
12 section, including a contestant described in subsection (6), may
13 petition the department to dissolve the suspension order. After
14 receiving a petition to dissolve a suspension order, the department
15 immediately shall do either of the following:

16 (a) Schedule a hearing to decide whether to grant or deny the
17 requested relief.

18 (b) If the suspended person is a promoter, advise the person
19 that he or she may request a third party arbitration under
20 subsection (3).

21 (3) A promoter whose license is summarily suspended under this
22 section may seek arbitration in lieu of a hearing before an
23 administrative law examiner if the arbitrator is affiliated with a
24 professional arbitration entity and is approved by both the
25 promoter and the department. Each party is responsible for a share
26 of the cost of the arbitrator in accordance with the applicable
27 rules of arbitration.

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

9 (5) The record created at a hearing to dissolve a summary
10 suspension order is considered part of the record of the complaint
11 at any subsequent hearing in a contested case.

12 (6) Subsections (2) through (5) apply to a summary suspension
13 order suspending a contestant for refusal to submit to a drug test
14 or a test for the presence of controlled substances, enhancers,
15 prohibited drugs, or other prohibited substances.

16 Sec. 43. (1) If the department conducts an investigation under
17 section 41, the department after the investigation may order a
18 person to cease and desist violating this act or a rule promulgated
19 or order issued under this act.

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

24 (3) If a person violates a cease and desist order issued under
25 this act, the department of attorney general may apply to a court
26 of competent jurisdiction to restrain and enjoin, temporarily or
27 permanently, or both, the person from further violating the cease

1 and desist order.

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

8 (2) If the department conducts an investigation and prepares
9 or receives a formal complaint under section 41, the department
10 shall serve the formal complaint on the respondent and the
11 complainant. At the same time, the department shall serve the
12 respondent with a notice describing the compliance conference and
13 hearing process and offering the respondent a choice of 1 of the
14 following options:

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

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

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

21 (3) A respondent who is served with a formal complaint under
22 this section may select, within 15 days after receiving the notice,
23 1 of the options described in subsection (2). If the respondent
24 does not notify the department of the selection of 1 of those
25 options within the time period described in this subsection, the
26 department shall proceed with a contested case hearing as described
27 in subsection (2)(c).

1 (4) At the discretion of the department, a member of the
2 commission may attend an informal conference described in
3 subsection (2)(a). The conference may result in a settlement,
4 consent order, waiver, default, or other method of settlement
5 agreed on by the parties and the department. A settlement may
6 include the revocation or suspension of a license; censure;
7 probation; restitution; or a penalty under section 48. The
8 commission may reject a settlement and require a contested case
9 hearing.

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

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

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

19 Sec. 45. (1) At the conclusion of a contested case hearing
20 conducted under section 44, the administrative law hearings
21 examiner shall submit a hearing report that includes findings of
22 fact and conclusions of law to the department, the department of
23 attorney general, and the commission. The examiner may recommend in
24 the hearing report the assessment of sanctions under section 48.

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

1 (3) Within 60 days after it receives an administrative law
2 hearings examiner's hearing report, the commission shall meet and
3 determine what penalties under section 48 to assess. The commission
4 shall make its determination based on the administrative law
5 hearings examiner's report. The examiner shall make a transcript of
6 a hearing or a portion of the transcript available to the
7 commission on request. If a transcript or a portion of the
8 transcript is requested, the commission shall make its
9 determination of the penalty or penalties to assess under section
10 48 at a meeting held within 60 days after it receives the
11 transcript or portion of the transcript.

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

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

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

24 (2) A petition for a review submitted under subsection (1)
25 shall be in writing and shall set forth the reasons the petitioner
26 believes that the licensure or renewal should be issued.

27 (3) The department may issue a license or renewal if, based on

1 a review of the qualifications of the person who submitted a
2 petition for a review under subsection (1), the department and the
3 commission determine that the person could perform the licensed
4 activity with competence.

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

10 (a) Entered into a contract for an amateur mixed martial arts
11 contest or exhibition in bad faith.

12 (b) Participated in any sham or fake amateur mixed martial
13 arts contest or exhibition.

14 (c) Participated in an amateur mixed martial arts contest or
15 exhibition pursuant to a collusive understanding or agreement in
16 which the contestant competes or terminates the amateur mixed
17 martial arts contest or exhibition in a manner that is not based on
18 honest competition or the honest exhibition of the skill of the
19 contestant.

20 (d) Failed to give his or her best efforts, failed to compete
21 honestly, or failed to give an honest exhibition of his or her
22 skills in an amateur mixed martial arts contest or exhibition.

23 (e) Performed an act or engaged in conduct that is detrimental
24 to an amateur mixed martial arts contest or exhibition, including,
25 but not limited to, any foul or unsportsmanlike conduct in
26 connection with an amateur mixed martial arts contest or
27 exhibition.

1 (f) Gambled on the outcome of an amateur mixed martial arts
2 contest or exhibition in which he or she is a contestant, promoter,
3 matchmaker, ring official, or second.

4 (g) Assaulted another licensee, commission member, or employee
5 of the department while not involved in or while outside the normal
6 course of an amateur mixed martial arts contest or exhibition.

7 (h) Practiced fraud or deceit in obtaining a license.

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

10 (a) The timing of random drug tests for contestants.

11 (b) Requirements for HIV and hepatitis B and C testing for
12 contestants, conducted at intervals of not more than 12 months.

13 (c) Specific summary suspension procedures for amateur mixed
14 martial arts contestants who test positive for drugs or fail to
15 submit to a drug test. The rules shall include the following:

16 (i) A procedure to allow the commission to place the licensee
17 upon the national suspension list.

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

19 (iii) A relicensing procedure following summary suspension.

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

24 (4) Each promoter shall provide each member of the commission
25 present at an amateur mixed martial arts contest or exhibition with
26 a seat in the area immediately adjacent to the amateur mixed
27 martial arts contest or exhibition. The promoter shall also provide

1 an additional seat in the venue to the member.

2 (5) The commission chair, a commission member assigned by the
3 commission chair, or a department official designated by the
4 commission chair has final authority involving any conflict at a
5 contest or exhibition and shall advise the chief inspector in
6 charge if he or she exercises that authority. In the absence of the
7 chair, an assigned member, or a department official designated by
8 the commission chair, the chief inspector in charge is the final
9 decision-making authority.

10 Sec. 48. (1) If it receives an application for reinstatement
11 and the payment of an administrative fine prescribed by the
12 commission, the commission may reinstate a revoked license or lift
13 a suspension.

14 (2) If disciplinary action is taken against a person under
15 this act that does not relate to an amateur mixed martial arts
16 contest or exhibition, the commission may, in lieu of suspending or
17 revoking a license, prescribe an administrative fine that does not
18 exceed \$5,000.00. If disciplinary action is taken against a person
19 under this act that relates to the preparation for an amateur mixed
20 martial arts contest or an exhibition, the occurrence of an amateur
21 mixed martial arts contest or an exhibition, or any other action
22 taken in conjunction with an amateur mixed martial arts contest or
23 an exhibition, the commission may prescribe an administrative fine
24 that does not exceed \$15,000.00 for any other person. The
25 commission may impose the administrative fine in addition to, or in
26 lieu of, any other disciplinary action that is taken against the
27 person by the commission.

(3) 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 penalties under this act.

CHAPTER 5

Sec. 50. (1) Each participant shall obtain a participant license from the department before participating either directly or indirectly in an amateur mixed martial arts 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 in consultation with the commission.

(3) The department shall issue an identification card with each 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. 51. (1) The department may require that a person seeking a license under this act as a judge or referee satisfactorily pass an examination or training program acceptable to the department.

(2) A contestant seeking a license under this act as a contestant shall pass a physical examination that is performed by a licensed physician, a licensed physician's assistant, or a

1 certified nurse practitioner acceptable to the department and the
2 commission.

3 (3) In the 1-year period beginning on the effective date of
4 this act, the department shall issue an equivalent participant
5 license without an examination to a participant who is licensed in
6 any capacity described in subsection (1) under the Michigan unarmed
7 combat regulatory act, 2004 PA 403, MCL 338.3601 to 338.3663, on
8 the effective date of this act, and who applies for that license on
9 a form provided by the department.

10 Sec. 52. (1) In addition to the requirements of section 51, a
11 person seeking a license as an amateur referee, judge, or
12 timekeeper shall referee, judge, or keep time for a minimum of 300
13 rounds of competitive amateur mixed martial arts.

14 (2) If a person successfully completed the requirements of
15 section 51(2), if applicable, and subsection (1), the commission
16 may issue the person a license.

17 Sec. 53. (1) In addition to the requirements of section 52, a
18 person seeking a license as an amateur judge shall score,
19 unofficially, not fewer than 200 rounds of amateur mixed martial
20 arts. In order to fulfill the requirements of this subsection, an
21 applicant shall only unofficially judge contests that are approved
22 by the commission for that purpose. An applicant shall not receive
23 compensation for judging amateur mixed martial arts contests or
24 exhibitions under this subsection. Scorecards shall be transmitted
25 to the department and the commission for review and evaluation.

26 (2) An employee of the department or a person authorized by
27 the commission shall complete a standardized evaluation sheet for

1 each amateur mixed martial arts contest or exhibition judged by a
2 licensee. The commission shall annually review the evaluation
3 sheets. A commission member attending an amateur mixed martial arts
4 contest or exhibition may also submit to the department a
5 standardized evaluation sheet.

6 Sec. 54. The promoter shall insure each contestant
7 participating in an amateur mixed martial arts contest or
8 exhibition for not less than \$10,000.00 for any medical and
9 hospital expenses paid by the contestant to cover injuries
10 sustained in the contest and for not less than \$10,000.00 to be
11 paid in accordance with the statutes of descent and distribution of
12 personal property if the contestant dies as a result of injuries
13 received in an amateur mixed martial arts contest or exhibition.

14 Sec. 55. (1) An amateur mixed martial arts contest or
15 exhibition shall be of not more than 3 rounds in length, except
16 that an amateur mixed martial arts contest or exhibition that
17 involves a national or international championship may last not more
18 than 5 rounds in the determination of the department. During a
19 contest, the contestants shall wear gloves that weigh at least 6
20 ounces each. Rounds shall be not longer than 3 minutes, with not
21 less than a 1-minute rest between rounds.

22 (2) A participant in an amateur mixed martial arts contest or
23 exhibition shall be certified to be in proper physical condition by
24 a licensed physician, a licensed physician's assistant, or a
25 certified nurse practitioner before participating in an amateur
26 mixed martial arts contest or exhibition. The department shall
27 designate any medical test that it determines is required to

