

Approved: March 24, 2008
Date

MINUTES OF THE HOUSE ECONOMIC DEVELOPMENT AND TOURISM COMMITTEE

The meeting was called to order by Chairman Lana Gordon at 3:30 P.M. on March 18, 2008 in Room 519-S of the Capitol.

All members were present except:
Broderick Henderson- excused

Committee staff present:
Ryan Hoffman, Kansas Legislative Research Department
Jason Long, Office of the Revisor of Statutes
Matt Todd, Office of the Revisor of Statutes
Ann Deitcher, Committee Assistant

Conferees appearing before the committee:
Rep. Tom Burroughs
Aaron Davis, Kansas Boxing Commissioner

HB 2843 - amending and supplementing the Kansas Professional Regulated Sports Act

Matthew Todd addressed the Committee with an explanation of amendments made by **HB 2843**. (Attachment 1).

Representative Tom Burroughs appeared as a proponent to **HB 2843**. (Attachment 2).

Introducing Aaron Davis, he referred to the copies of the Rules and Regulations for the Committee's attention saying that these would allow the Commission and the Boxing Commissioner to move forward to insure a safe and transparent industry.

Questions and answers followed.

The meeting was adjourned at 4:30 p.m. The next meeting is scheduled for Wednesday, March 19, 2008.

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MEMORANDUM

To: House Committee on Economic Development and Tourism
From: Matthew Todd, Assistant Revisor
Date: March 18, 2008
Re: HB 2843 – amending and supplementing the Kansas Professional Regulated Sports Act

New section 1 would be part of and supplemental to the Kansas Professional Regulated Sports Act and would establish a civil penalty not exceeding \$500 for a violation of the act. Such penalty would be held in an escrow account for 30 days, to allow time for the athletic commission to review any appeals and affirm, reverse or modify the penalty assessment. Once a penalty is affirmed or modified, the amount of the civil penalty shall be deposited in the Athletic Fee Fund. An appeal must be made in writing, within 15 days of when the penalty order is served. Appeals hearings would be covered under the Kansas Administrative Procedure Act.

Section 2 would amend K.S.A. 74-50,181 to specify that section 1 would be part of the Kansas Professional Regulated Sports Act.

Section 3 would amend K.S.A. 74-50,182, which is the definitions section of the act. The definition of “commissioner,” meaning the boxing commissioner, is added in lines 27 and 28. The definition of “contestant” is clarified to mean a person who “is licensed by the commission to compete.” The definition of “professional full-contact karate” is amended by removing from the meaning a bout or contest with weapons. Such contests would also no longer be defined as taking place in a rope-enclosed ring or having timed rounds. The definition of professional, and now “amateur,” mixed martial arts would no longer include a bout or contest with weapons. Finally, the definition of “regulated sports” is clarified to include all of the defined sports.

Section 4 would amend K.S.A. 74-50,186, which specifies the supervisory powers and duties of the commission. Subsection (b), dealing with licenses, changes the expiration date of an issued license from June 30 in the year after it was issued to one year from the date the license

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is actually issued. Additionally, subsection (c) is amended to clarify that the commission may assess a “fee,” not a “tax,” which still may not exceed 5% of the gross receipts of each regulated sports contest. Finally, this section contains a clean-up amendment that removes subsection (d), which is no longer applicable because the date of performance has already passed.

Section 5 would amend K.S.A. 74-50,187, which sets out the rules and regulations authority of the commission. The bill would require the commission to adopt rules and regulations regarding “procedures and requirements for testing for drugs and communicable diseases,” in addition to the other existing requirements. It would also make the limitation on rules and regulations concerning professional wrestling permissive, rather than mandatory.

Section 6 would amend K.S.A. 74-50,188, which establishes the Athletic Fee Fund in the State Treasury. The bill would eliminate the requirement that 20% of the revenue credited to the Athletic Fee Fund be deposited in the State General Fund. The Director of the Budget estimates that this change would increase revenue to the Athletic Fee Fund by \$23,400 and decrease revenue to the State General Fund by the same amount. See *Fiscal Note for HB 2843*.

Section 7 would amend K.S.A. 74-50,189, which enumerates the conditions under which the commission may issue a license. The bill would supplement the requirement that a city or county must adopt a resolution in approval of hosting a regulated sports contest with the option that the commission may issue a written assurance that the required license will be issued. Such assurance must be conditioned upon the adoption of the resolution by the governing body.

Section 8 would amend K.S.A. 74-50,193, which currently lists reasons the commission may refuse to issue a license or the commission may file a complaint against a licensee. The bill essentially incorporates all of the same reasons in existing law but clarifies the ability of the commission to deny, suspend, revoke or refuse renewal of any license. Any action taken by the commission pursuant to this section which affects any license or imposes any administrative penalty would remain subject to the Kansas Administrative Procedure Act and would require notice and an opportunity for a hearing. Additionally, the bill would make it clear that certain actions taken by the commission pursuant to the act would not deprive it of the right to conduct disciplinary proceedings against a licensee, to suspend, revoke or refuse to renew a license, or to make a record of the facts of any violation of law for any lawful purpose.

Section 9 contains a technical amendment to K.S.A. 74-50,194.

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Chairperson Gordon, Vice Chair Hunnington, Ranking Member Winn and
Committee Members

Thank you for the opportunity to appear before the committee and present HB 2843 today. A few years back this committee passed out a bill establishing the Kansas Athletic Commission and the Senate and House passed the legislation overwhelmingly.

Recognizing it has been awhile since representatives of the Athletic Commission have been before you to report our progress; Mr. Aaron Davis and I are here to do so if the committee so desires. In addition we also seek your support for the authority to carry-out the legislative intent of the Kansas Regulated Sports Act. Therefore, I submit for your review the Rules and Regs that will allow the commission and the Boxing Commissioner to move forward to insure a safe and transparent industry.

I have attached to my testimony a breakdown of the bill by section to aid in presenting the information and statutory requirements necessary for the Athletic Commission to establish and clarify its mandated responsibilities.

I respectfully request that the committee pass-out HB 2843 favorably.

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Attachment # 2-1

HOUSE BILL No. 2843
The Kansas Professional Regulated Sports Act

New Section 1, Imposes civil penalties for violation of the act. This amendment will allow the Kansas Boxing Commission to impose civil penalty for violations of the act and provides that:

- No civil penalty will exceed \$500 for each violation.
- The Commissioner shall have the authority to impose the civil penalty.
- The civil penalties shall be due and payable at the time of the violation.
- Any person may appeal a civil penalty imposed within 15 days to the Commission.

Section 3, amends K.S.A. 74-50,182 definitions as follows:

- "Commissioner" means the boxing commissioner or the commissioner's designee.
- Clarifies the definition of "Contestant" to mean a person who *is licensed by the commission to compete* in a regulated sport.

- "Professional full-contact karate"
Strikes the use of weapons

Such contests take place in a rope enclosed ring and are fought in timed rounds. }

- Adds amateur contestants to mixed martial arts.

Strikes the use of weapons

- Regulated sports definition is amended to include amateur mixed martial arts and professional wrestling.

Section 4, amends K.S.A. 74-50,186

(b) changes the date licenses are issued. License will be issued on the anniversary of the renewal of the licenses.

(c) amends and deletes tax imposed to fee assessed.

(d) is stricken since it is no longer applicable.

Section 5, K.S.A. 74-50187

Allows for procedures and requirements for testing for drugs and communicable diseases.

(b)(1) changes the requirement from shall to may. This will allow the Commission more discretion as to regulation professional wrestling.

Section 6, K.S.A. 74-50,188

(a) Strikes out the provision that 20% of the Athletic Fund deposits be deposited in the state general fund.

Section 7, K.S.A. 74-50,189

(b) amends this section to allow the commission to issue a written assurance that the required license will be issued. on the condition that the governing body approves such contest.

Section 8, K.S.A. 74-50193

This prior section allowed third parties to bring complaints against licensees but did not provide that the Boxing Commissioner the right to bring the complaint.

This section is revised to allow the Boxing Commissioner to deny, suspend, revoke or refuse renewal of any license issued under the act.