I certify this to be a true and correct copy of the indicated document as referred or transmitted to committee.

Chief Clerk of the House

FILED MAR 10 2005

By: Tony Goolsby

H.B. No. 2546

A BILL TO BE ENTITLED

AN ACT

relating to the combative sports program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2052.002, Occupations Code, is amended to read as follows:

Sec. 2052.002. DEFINITIONS. In this chapter:

(1) "Amateur" means a person who has never received or competed for any purse or other thing of value, including reimbursement for expenses related to training or to participation in a combative sports event, that exceeded the maximum amount established by an amateur combative sports association.

(2) "Amateur combative sports association" means an organization that has nonprofit status under the laws of this state or under federal law and that produces, arranges, advertises, conducts, or stages combative sports events in which all the contestants are amateurs.

(3) "Boxing" means to compete with the fists.

(4) "Combative sports" means sports, including boxing, kickboxing, martial arts, and mixed martial arts, where participants voluntarily engage in full contact to score points, to cause an opponent to submit, or to disable an opponent in a contest, match, or exhibition. The term does not include student training or exhibitions of students' skills conducted by martial arts schools, or associations of schools, where the students' participation is

for health and recreational purposes rather than competition and where the intent is to use only partial contact [~~includes kickboxing, in which a person delivers blows with any part of the arm below the shoulder, including the hand, and any part of the leg below the hip, including the foot.~~

[~~(2) "Boxing promoter" means a person who arranges, advertises, or conducts a boxing event.~~

[~~(3) "Championship tournament" means a state, regional, national, or international elimination tournament in which the winners of elimination tournaments compete for a championship in each weight category~~].

(5) [~~(4)~~] "Commission" means the Texas Commission of Licensing and Regulation.

(6) "Contest" means a combative sports engagement in which the participants strive earnestly to win.

(7) [~~(5)~~] "Department" means the Texas Department of Licensing and Regulation.

(8) [~~(6)~~] "Elimination tournament" means a combative sports [~~boxing~~] contest in which [~~elimination tournament~~] contestants compete in a series of matches until not more than one contestant remains in any weight category. The term does not include an [~~a boxing~~] event described by Section 2052.110.

(9) [~~(7) "Elimination tournament boxing promoter" means a person who arranges, advertises, or conducts an elimination tournament.~~

[~~(8) "Elimination tournament contestant" means a person who competes in an elimination tournament.~~

[~~(8-a)~~] "Executive director" means the executive director of the department or the executive director's designated representative.

(10) [~~(9)~~] "Exhibition" means a combative sports [~~boxing or wrestling~~] skills demonstration.

(11) [~~(10)~~] "Event" means a contest, match, or exhibition.

(12) [~~(11)~~] "Judge" means a person who is[~~:~~

[~~(A) located at ringside during a boxing match, and~~

[~~(B)~~] responsible for scoring the performances of the participants in a [~~the~~] match.

(13) "Kickboxing" means to compete by delivering blows with the fists, arms, feet, legs, or any combination thereof.

(14) "Martial arts" means any one of the individual disciplines described by rule adopted by the commission in which the contestants engage in unarmed combat using the applicable techniques to grapple with, kick, or strike an opponent to win a contest by causing an opponent to submit or by scoring points against or disabling an opponent.

(15) "Match" means any contest or exhibition.

(16) "Mixed martial arts" means unarmed combat involving the use of a combination of techniques from different disciplines of the martial arts including grappling, kicking, and striking and may include the use of full, unrestrained physical force.

(17) [~~(12) "Local tournament" means an elimination~~

~~tournament in which only a resident of this state may compete.~~

[~~(13)~~] "Professional combative sports contestant [~~boxer~~]" means a person who competes in a combative sports [~~boxing~~] event in this state conducted for a purse or compensation.

(18) [~~(13-a)~~] "Promoter" means any person who produces, arranges, advertises, conducts, or stages a combative sports event [~~a boxing promoter or wrestling promoter~~].

(19) [~~(14)~~] "Referee" means a person who:

(A) is present in the ring during a match [~~boxing event~~]; and

(B) exercises general supervision of the match [~~event~~].

(20) [~~(15) "Regional tournament" means an elimination tournament in which a contestant from outside of the immediate area in which the tournament is conducted may compete against local contestants.~~

[~~(15-a)~~] "Ringside physician" means an individual licensed to practice medicine in this state who is registered with the department.

[~~(16) "Wrestling promoter" means a person who arranges, advertises, or conducts a wrestling event.~~]

SECTION 2. Subsection (b), Section 2052.052, Occupations Code, is amended to read as follows:

(b) The commission may adopt rules:

(1) governing boxing, [~~professional~~] kickboxing, martial arts, or mixed martial arts contests and exhibitions;

(2) establishing reasonable qualifications for an

applicant seeking a license or registration from the department under this chapter;

(3) recognizing a sanction, medical suspension, or disqualification of a licensee or registrant [~~license holder~~] by a combative sports authority in any state, provided that if licensure or registration is denied based on those actions, an applicant has an opportunity for [~~a right to~~] a hearing as prescribed by rule;

(4) establishing practice requirements or specialty certifications that a person licensed to practice medicine in this state must meet to register as a ringside physician;

(5) requiring a contestant to present with an application for licensure or license renewal documentation [~~to the executive director at the time of weigh-in an original copy~~] of recent blood test results that demonstrate whether the contestant is free from hepatitis B virus, hepatitis C virus, human immunodeficiency virus, and any other communicable disease designated by commission rule and providing that a contestant's failure to provide the required blood test results disqualifies the contestant;

(6) providing that to participate in any event a contestant must be free of hepatitis B virus, hepatitis C virus, human immunodeficiency virus, and any other communicable disease designated by rule;

(7) requiring that a contestant present with an application for licensure or license renewal documentation of the results of [~~undergo~~] a physical examination, including an ophthalmologic [~~opthalmological~~] examination, [~~at or near the time~~

~~of weigh-in~~] and providing for disqualification of a contestant who is determined by an examining physician to be unfit; [~~and~~]

(8) establishing additional responsibilities for promoters; and

(9) governing regulated amateur events.

SECTION 3. Subsection (a), Section 2052.055, Occupations Code, is amended to read as follows:

(a) The presiding officer of the commission, with the commission's approval, may appoint a medical advisory committee to advise the department concerning health issues for combative sports [~~boxing~~] event contestants.

SECTION 4. Section 2052.101, Occupations Code, is amended to read as follows:

Sec. 2052.101. [~~BOXING~~] PROMOTER LICENSE. A person may not act as a [~~boxing~~] promoter [~~or an elimination tournament boxing promoter~~] unless the person holds the appropriate [~~a~~] license issued under this chapter.

SECTION 5. The heading to Section 2052.102, Occupations Code, is amended to read as follows:

Sec. 2052.102. [~~BOXING~~] PROMOTER LICENSE APPLICATION REQUIREMENTS.

SECTION 6. Subsection (a), Section 2052.102, Occupations Code, is amended to read as follows:

(a) An applicant for a [~~boxing~~] promoter's license under this chapter must apply on a form furnished by the executive director.

SECTION 7. Section 2052.107, Occupations Code, is amended

to read as follows:

Sec. 2052.107. OTHER COMBATIVE SPORTS [~~BOXING~~] LICENSES. Unless a person holds a license or registration issued under this chapter, the person may not act as a combative sports:

(1) professional contestant [~~boxer~~];

(2) manager of a professional contestant [~~boxer~~];

(3) referee;

(4) judge;

(5) second;

(6) timekeeper;

(7) matchmaker; or

(8) ringside physician.

SECTION 8. Section 2052.110, Occupations Code, is amended to read as follows:

Sec. 2052.110. LICENSE AND BONDING EXCEPTIONS. If the contestants are amateurs, the [~~The~~] licensing and bonding requirements of this chapter [~~subchapter~~] do not apply to:

(1) [~~a boxing event in which the participants do not receive a money remuneration, purse, or prize for their performances or services if the event is promoted, conducted, or maintained by:~~

[~~(A) an educational institution;~~

[~~(B) a law enforcement organization;~~

[~~(C) a Texas National Guard Unit; or~~

[~~(D) an amateur athletic organization recognized by the executive director;~~

[~~(2) an event conducted by a nonprofit amateur~~

~~athletic association chartered under the law of this state, including a membership club affiliated with the association located within this state and recognized by the executive director,~~

[~~(3)~~] an event conducted by a college, school, or university that is part of the institution's athletic program in which only students of [~~different~~] educational institutions participate;

(2) [~~(4)~~] an event which is conducted by [~~in which only members of~~] a troop, battery, company, or unit of the Texas National Guard or a law enforcement agency, and in which only members of military or law enforcement organizations participate; or

(3) [~~(5)~~] an event which is conducted by an organization of the Olympic Games, the Paralympic Games, or the Pan-American Games and in which participants train or compete for advancement to or within the games.

SECTION 9. Section 2052.111, Occupations Code, is amended to read as follows:

Sec. 2052.111. DENIAL OF APPLICATION. The executive director may deny an application for a license or registration if:

(1) the applicant does not meet the qualifications for the license or registration; or

(2) after conducting an investigation and providing an opportunity for a hearing, the executive director determines that the applicant has violated this chapter or a rule adopted under this chapter.

SECTION 10. Section 2052.113, Occupations Code, is amended

to read as follows:

Sec. 2052.113. LICENSE AND PERMIT REQUIRED FOR CLOSED CIRCUIT [~~BOXING~~] TELECAST. A person who exhibits in this state a simultaneous telecast of a live, spontaneous, or current combative sports [~~boxing~~] event on a closed circuit telecast in which a fee is charged for admission to the telecast must:

(1) hold a [~~boxing~~] promoter's license under this chapter; and

(2) obtain a permit for the closed circuit telecast.

SECTION 11. Subchapter C, Chapter 2052, Occupations Code, is amended by adding Sections 2052.116 and 2052.117 to read as follows:

Sec. 2052.116. AMATEUR COMBATIVE SPORTS ASSOCIATION REGISTRATION. A person may not act as an amateur combative sports association unless the person is registered under this chapter.

Sec. 2052.117. AMATEUR COMBATIVE SPORTS ASSOCIATION REGISTRATION REQUIREMENTS. (a) An applicant for registration as an amateur combative sports association must apply on a form acceptable to the executive director.

(b) An application must be accompanied by:

(1) a registration fee in the amount set by the commission;

(2) proof of compliance with requirements established by rule for:

(A) insurance; and

(B) surety bonds, if any;

(3) a copy of the rules of the association

establishing standards of conduct for contestants and officials; and

(4) proof that the association is recognized or organized as a nonprofit organization under the laws of this state or has such status under federal law.

(c) Rules of the association must be approved by the department.

SECTION 12. Section 2052.151, Occupations Code, is amended to read as follows:

Sec. 2052.151. IMPOSITION AND RATE OF TAX. (a) A tax is imposed on a person who:

(1) conducts a combative sports [~~boxing~~] event[~~, including an elimination tournament,~~] in which a fee is charged for admission to the event; or

(2) exhibits in this state a simultaneous telecast of a live, spontaneous, or current combative sports [~~boxing~~] event on a closed circuit telecast, in which a fee is charged for admission to the telecast[~~; or~~

[~~(3) conducts or sponsors an amateur boxing event, other than an event exempt from licensing under Section 2052.110(2), (3), (4), or (5), in which a fee is charged for admission to the event~~].

(b) The [~~rate of the~~] tax is three percent of the gross receipts obtained from the sale of tickets to the event, plus three percent of gross receipts received from sales of broadcast rights or $30,000, whichever is less.

SECTION 13. Subsections (a) and (b), Section 2052.152,

Occupations Code, are amended to read as follows:

(a) A person on whom a tax is imposed under Section 2052.151, not later than three business days [~~72 hours~~] after the end of the event or telecast for which the tax is due, shall submit to the department a verified report on a form acceptable to [~~furnished by~~] the department stating:

(1) the number of tickets sold to the event;

(2) the ticket prices charged;

(3) the gross price charged for the sale or lease of broadcasting, television, and motion picture rights without any deductions for commissions, brokerage fees, distribution fees, advertising, or other expenses or charges; and

(4) the amount of gross receipts obtained from the event.

(b) The person shall attach to the report a cashier's check, check, or money order payable to this state in the amount of the tax imposed on the event covered by the report.

SECTION 14. Section 2052.153, Occupations Code, is amended to read as follows:

Sec. 2052.153. CLOSED CIRCUIT TELECAST. A person exhibiting a simultaneous telecast of a live, spontaneous, or current combative sports [~~boxing~~] event on a closed circuit telecast that occurs in Texas in which a fee is charged for admission to the exhibition:

(1) must:

(A) be a [~~boxing~~] promoter; and

(B) obtain a permit for each telecast exhibited;

and

(2) shall comply with the tax provisions of Sections [~~Section~~] 2052.151 and 2052.152.

SECTION 15. Section 2052.251, Occupations Code, is amended to read as follows:

Sec. 2052.251. [~~BOXING~~] GLOVES. A combative sports [~~boxing~~] event contestant[~~, other than an elimination tournament contestant under Subchapter E,~~] shall wear [~~eight-ounce boxing~~] gloves of the type and weight specified by commission rule, unless the commission by applicable rule requires or permits contestants [~~a contestant~~] to not wear [~~heavier~~] gloves.

SECTION 16. Section 2052.252, Occupations Code, is amended to read as follows:

Sec. 2052.252. REGULATED [~~CERTAIN~~] AMATEUR EVENTS. (a) This section applies to an amateur combative sports [~~boxing~~] event, other than an event described by Section 2052.110 [~~2052.110(2), (3), (4), or (5) or an elimination tournament subject to Subchapter E~~], in which a fee is charged for admission to the event.

(b) The amateur combative sports association sponsoring or producing the event shall register with the department not later than 30 days before the date the event begins.

(c) The event may take place only if the executive director approves the event not later than seven days before the date the event begins.

(d) [~~(c)~~] Each contestant [~~entry~~] in the event must have been a member of the amateur combative sports association for the

30-day period immediately preceding [~~be filed with the amateur organization not later than the third day before~~] the date the event begins and must be a member on the date of the event.

(e) [~~(d)~~] The amateur combative sports association [~~organization~~] shall determine the amateur standing of the event contestants and shall establish training programs consisting of at least 30 days of training for each contestant.

(f) [~~(e)~~] The event is subject to the supervision of the executive director.

[~~(f) All profits from the event must be used to develop amateur athletics.~~]

(g) [~~Only a referee or judge licensed under this chapter may participate in the event.~~

[~~(h)~~] Each contestant participating in the event must be examined by a licensed physician within a reasonable time before the event begins. A licensed physician must be present at ringside during the entire event.

(h) [~~(i)~~] A professional combative sports contestant [~~boxer~~] licensed under this chapter may not participate as a contestant [~~in any capacity~~] in the event.

SECTION 17. Subchapter F, Chapter 2052, Occupations Code, is amended by adding Section 2052.254 to read as follows:

Sec. 2052.254. ELIMINATION TOURNAMENTS. An elimination tournament may not be conducted in this state.

SECTION 18. The following provisions of the Occupations Code are repealed:

(1) Sections 2052.103, 2052.105, and 2052.106; and

1 (2) Subchapter E, Chapter 2052.

2 SECTION 19. This Act takes effect September 1, 2005.

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HOUSE OF REPRESENTATIVES

HOUSE COMMITTEE REPORT

1st Printing

By: Goolsby H.B. No. 2546

A BILL TO BE ENTITLED

AN ACT

relating to the combative sports program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2052.002, Occupations Code, is amended to read as follows:

Sec. 2052.002. DEFINITIONS. In this chapter:

(1) "Amateur" means a person who has never received or competed for any purse or other thing of value, including reimbursement for expenses related to training or to participation in a combative sports event, that exceeded the maximum amount established by an amateur combative sports association.

(2) "Amateur combative sports association" means an organization that has nonprofit status under the laws of this state or under federal law and that produces, arranges, advertises, conducts, or stages combative sports events in which all the contestants are amateurs.

(3) "Boxing" means to compete with the fists.

(4) "Combative sports" means sports, including boxing, kickboxing, martial arts, and mixed martial arts, where participants voluntarily engage in full contact to score points, to cause an opponent to submit, or to disable an opponent in a contest, match, or exhibition. The term does not include student training or exhibitions of students' skills conducted by martial arts schools, or associations of schools, where the students' participation is

for health and recreational purposes rather than competition and where the intent is to use only partial contact [~~includes kickboxing, in which a person delivers blows with any part of the arm below the shoulder, including the hand, and any part of the leg below the hip, including the foot.~~

[~~(2) "Boxing promoter" means a person who arranges, advertises, or conducts a boxing event.~~

[~~(3) "Championship tournament" means a state, regional, national, or international elimination tournament in which the winners of elimination tournaments compete for a championship in each weight category~~].

(5) [~~(4)~~] "Commission" means the Texas Commission of Licensing and Regulation.

(6) "Contest" means a combative sports engagement in which the participants strive earnestly to win.

(7) [~~(5)~~] "Department" means the Texas Department of Licensing and Regulation.

(8) [~~(6)~~] "Elimination tournament" means a combative sports [~~boxing~~] contest in which [~~elimination tournament~~] contestants compete in a series of matches until not more than one contestant remains in any weight category. The term does not include an [~~a boxing~~] event described by Section 2052.110.

(9) [~~(7) "Elimination tournament boxing promoter" means a person who arranges, advertises, or conducts an elimination tournament.~~

[~~(8) "Elimination tournament contestant" means a person who competes in an elimination tournament.~~

[~~(8-a)~~] "Executive director" means the executive director of the department or the executive director's designated representative.

(10) [~~(9)~~] "Exhibition" means a combative sports [~~boxing or wrestling~~] skills demonstration.

(11) [~~(10)~~] "Event" means a contest, match, or exhibition.

(12) [~~(11)~~] "Judge" means a person who is[~~:~~

[~~(A) located at ringside during a boxing match; and~~

[~~(B)~~] responsible for scoring the performances of the participants in a [~~the~~] match.

(13) "Kickboxing" means to compete by delivering blows with the fists, arms, feet, legs, or any combination thereof.

(14) "Martial arts" means any one of the individual disciplines described by rule adopted by the commission in which the contestants engage in unarmed combat using the applicable techniques to grapple with, kick, or strike an opponent to win a contest by causing an opponent to submit or by scoring points against or disabling an opponent.

(15) "Match" means any contest or exhibition.

(16) "Mixed martial arts" means unarmed combat involving the use of a combination of techniques from different disciplines of the martial arts including grappling, kicking, and striking and may include the use of full, unrestrained physical force.

(17) [~~(12) "Local tournament" means an elimination~~

~~tournament in which only a resident of this state may compete.~~

[~~(13)~~] "Professional combative sports contestant [~~boxer~~]" means a person who competes in a combative sports [~~boxing~~] event in this state conducted for a purse or compensation.

(18) [~~(13-a)~~] "Promoter" means any person who produces, arranges, advertises, conducts, or stages a combative sports event [~~a boxing promoter or wrestling promoter~~].

(19) [~~(14)~~] "Referee" means a person who:

(A) is present in the ring during a match [~~boxing event~~]; and

(B) exercises general supervision of the match [~~event~~].

(20) [~~(15) "Regional tournament" means an elimination tournament in which a contestant from outside of the immediate area in which the tournament is conducted may compete against local contestants.~~

[~~(15-a)~~] "Ringside physician" means an individual licensed to practice medicine in this state who is registered with the department.

[~~(16) "Wrestling promoter" means a person who arranges, advertises, or conducts a wrestling event.~~]

SECTION 2. Subsection (b), Section 2052.052, Occupations Code, is amended to read as follows:

(b) The commission may adopt rules:

(1) governing boxing, [~~professional~~] kickboxing, martial arts, or mixed martial arts contests and exhibitions;

(2) establishing reasonable qualifications for an

applicant seeking a license or registration from the department under this chapter;

(3) recognizing a sanction, medical suspension, or disqualification of a licensee or registrant [~~license holder~~] by a combative sports authority in any state, provided that if licensure or registration is denied based on those actions, an applicant has an opportunity for [~~a right to~~] a hearing as prescribed by rule;

(4) establishing practice requirements or specialty certifications that a person licensed to practice medicine in this state must meet to register as a ringside physician;

(5) requiring a contestant to present with an application for licensure or license renewal documentation [~~to the executive director at the time of weigh-in an original copy~~] of recent blood test results that demonstrate whether the contestant is free from hepatitis B virus, hepatitis C virus, human immunodeficiency virus, and any other communicable disease designated by commission rule and providing that a contestant's failure to provide the required blood test results disqualifies the contestant;

(6) providing that to participate in any event a contestant must be free of hepatitis B virus, hepatitis C virus, human immunodeficiency virus, and any other communicable disease designated by rule;

(7) requiring that a contestant present with an application for licensure or license renewal documentation of the results of [~~undergo~~] a physical examination, including an ophthalmologic [~~opthalmological~~] examination, [~~at or near the time~~

~~of weigh-in~~] and providing for disqualification of a contestant who is determined by an examining physician to be unfit; [~~and~~]

(8) establishing additional responsibilities for promoters; and

(9) governing regulated amateur events.

SECTION 3. Subsection (a), Section 2052.055, Occupations Code, is amended to read as follows:

(a) The presiding officer of the commission, with the commission's approval, may appoint a medical advisory committee to advise the department concerning health issues for combative sports [~~boxing~~] event contestants.

SECTION 4. Section 2052.101, Occupations Code, is amended to read as follows:

Sec. 2052.101. [~~BOXING~~] PROMOTER LICENSE. A person may not act as a [~~boxing~~] promoter [~~or an elimination tournament boxing promoter~~] unless the person holds the appropriate [~~a~~] license issued under this chapter.

SECTION 5. The heading to Section 2052.102, Occupations Code, is amended to read as follows:

Sec. 2052.102. [~~BOXING~~] PROMOTER LICENSE APPLICATION REQUIREMENTS.

SECTION 6. Subsection (a), Section 2052.102, Occupations Code, is amended to read as follows:

(a) An applicant for a [~~boxing~~] promoter's license under this chapter must apply on a form furnished by the executive director.

SECTION 7. Section 2052.107, Occupations Code, is amended

to read as follows:

Sec. 2052.107. OTHER COMBATIVE SPORTS [~~BOXING~~] LICENSES. Unless a person holds a license or registration issued under this chapter, the person may not act as a combative sports:

(1) professional contestant [~~boxer~~];

(2) manager of a professional contestant [~~boxer~~];

(3) referee;

(4) judge;

(5) second;

(6) timekeeper;

(7) matchmaker; or

(8) ringside physician.

SECTION 8. Section 2052.110, Occupations Code, is amended to read as follows:

Sec. 2052.110. LICENSE AND BONDING EXCEPTIONS. If the contestants are amateurs, the [~~The~~] licensing and bonding requirements of this chapter [~~subchapter~~] do not apply to:

(1) [~~a boxing event in which the participants do not receive a money remuneration, purse, or prize for their performances or services if the event is promoted, conducted, or maintained by:~~

[~~(A) an educational institution;~~

[~~(B) a law enforcement organization;~~

[~~(C) a Texas National Guard Unit; or~~

[~~(D) an amateur athletic organization recognized by the executive director;~~

[~~(2) an event conducted by a nonprofit amateur~~

~~athletic association chartered under the law of this state, including a membership club affiliated with the association located within this state and recognized by the executive director;~~

[~~(3)~~] an event conducted by a college, school, or university that is part of the institution's athletic program in which only students of [~~different~~] educational institutions participate;

(2) [~~(4)~~] an event which is conducted by [~~in which only members of~~] a troop, battery, company, or unit of the Texas National Guard or a law enforcement agency, and in which only members of military or law enforcement organizations participate; or

(3) [~~(5)~~] an event which is conducted by an organization of the Olympic Games, the Paralympic Games, or the Pan-American Games and in which participants train or compete for advancement to or within the games.

SECTION 9. Section 2052.111, Occupations Code, is amended to read as follows:

Sec. 2052.111. DENIAL OF APPLICATION. The executive director may deny an application for a license or registration if:

(1) the applicant does not meet the qualifications for the license or registration; or

(2) after conducting an investigation and providing an opportunity for a hearing, the executive director determines that the applicant has violated this chapter or a rule adopted under this chapter.

SECTION 10. Section 2052.113, Occupations Code, is amended

to read as follows:

Sec. 2052.113. LICENSE AND PERMIT REQUIRED FOR CLOSED CIRCUIT [~~BOXING~~] TELECAST. A person who exhibits in this state a simultaneous telecast of a live, spontaneous, or current combative sports [~~boxing~~] event on a closed circuit telecast in which a fee is charged for admission to the telecast must:

(1) hold a [~~boxing~~] promoter's license under this chapter; and

(2) obtain a permit for the closed circuit telecast.

SECTION 11. Subchapter C, Chapter 2052, Occupations Code, is amended by adding Sections 2052.116 and 2052.117 to read as follows:

Sec. 2052.116. AMATEUR COMBATIVE SPORTS ASSOCIATION REGISTRATION. A person may not act as an amateur combative sports association unless the person is registered under this chapter.

Sec. 2052.117. AMATEUR COMBATIVE SPORTS ASSOCIATION REGISTRATION REQUIREMENTS. (a) An applicant for registration as an amateur combative sports association must apply on a form acceptable to the executive director.

(b) An application must be accompanied by:

(1) a registration fee in the amount set by the commission;

(2) proof of compliance with requirements established by rule for:

(A) insurance; and

(B) surety bonds, if any;

(3) a copy of the rules of the association

establishing standards of conduct for contestants and officials; and

(4) proof that the association is recognized or organized as a nonprofit organization under the laws of this state or has such status under federal law.

(c) Rules of the association must be approved by the department.

SECTION 12. Section 2052.151, Occupations Code, is amended to read as follows:

Sec. 2052.151. IMPOSITION AND RATE OF TAX. (a) A tax is imposed on a person who:

(1) conducts a combative sports [~~boxing~~] event[~~, including an elimination tournament,~~] in which a fee is charged for admission to the event; or

(2) exhibits in this state a simultaneous telecast of a live, spontaneous, or current combative sports [~~boxing~~] event on a closed circuit telecast, in which a fee is charged for admission to the telecast[~~; or~~

[~~(3) conducts or sponsors an amateur boxing event, other than an event exempt from licensing under Section 2052.110(2), (3), (4), or (5), in which a fee is charged for admission to the event~~].

(b) The [~~rate of the~~] tax is three percent of the gross receipts obtained from the sale of tickets to the event, plus three percent of gross receipts received from sales of broadcast rights or $30,000, whichever is less.

SECTION 13. Subsections (a) and (b), Section 2052.152,

Occupations Code, are amended to read as follows:

(a) A person on whom a tax is imposed under Section 2052.151, not later than three business days [~~72 hours~~] after the end of the event or telecast for which the tax is due, shall submit to the department a verified report on a form acceptable to [~~furnished by~~] the department stating:

(1) the number of tickets sold to the event;

(2) the ticket prices charged;

(3) the gross price charged for the sale or lease of broadcasting, television, and motion picture rights without any deductions for commissions, brokerage fees, distribution fees, advertising, or other expenses or charges; and

(4) the amount of gross receipts obtained from the event.

(b) The person shall attach to the report a cashier's check, check, or money order payable to this state in the amount of the tax imposed on the event covered by the report.

SECTION 14. Section 2052.153, Occupations Code, is amended to read as follows:

Sec. 2052.153. CLOSED CIRCUIT TELECAST. A person exhibiting a simultaneous telecast of a live, spontaneous, or current combative sports [~~boxing~~] event on a closed circuit telecast that occurs in Texas in which a fee is charged for admission to the exhibition:

(1) must:

(A) be a [~~boxing~~] promoter; and

(B) obtain a permit for each telecast exhibited;

and

(2) shall comply with the tax provisions of Sections [~~Section~~] 2052.151 and 2052.152.

SECTION 15. Section 2052.251, Occupations Code, is amended to read as follows:

Sec. 2052.251. [~~BOXING~~] GLOVES. A combative sports [~~boxing~~] event contestant[~~, other than an elimination tournament contestant under Subchapter E,~~] shall wear [~~eight-ounce boxing~~] gloves of the type and weight specified by commission rule, unless the commission by applicable rule requires or permits contestants [~~a contestant~~] to not wear [~~heavier~~] gloves.

SECTION 16. Section 2052.252, Occupations Code, is amended to read as follows:

Sec. 2052.252. REGULATED [~~CERTAIN~~] AMATEUR EVENTS. (a) This section applies to an amateur combative sports [~~boxing~~] event, other than an event described by Section 2052.110 [~~2052.110(2), (3), (4), or (5) or an elimination tournament subject to Subchapter E~~], in which a fee is charged for admission to the event.

(b) The amateur combative sports association sponsoring or producing the event shall register with the department not later than 30 days before the date the event begins.

(c) The event may take place only if the executive director approves the event not later than seven days before the date the event begins.

(d) [~~(c)~~] Each contestant [~~entry~~] in the event must have been a member of the amateur combative sports association for the

30-day period immediately preceding [~~be filed with the amateur organization not later than the third day before~~] the date the event begins and must be a member on the date of the event.

(e) [~~(d)~~] The amateur combative sports association [~~organization~~] shall determine the amateur standing of the event contestants and shall establish training programs consisting of at least 30 days of training for each contestant.

(f) [~~(e)~~] The event is subject to the supervision of the executive director.

[~~(f) All profits from the event must be used to develop amateur athletics.~~]

(g) [~~Only a referee or judge licensed under this chapter may participate in the event.~~

[~~(h)~~] Each contestant participating in the event must be examined by a licensed physician within a reasonable time before the event begins. A licensed physician must be present at ringside during the entire event.

(h) [~~(i)~~] A professional combative sports contestant [~~boxer~~] licensed under this chapter may not participate as a contestant [~~in any capacity~~] in the event.

SECTION 17. Subchapter F, Chapter 2052, Occupations Code, is amended by adding Section 2052.254 to read as follows:

Sec. 2052.254. ELIMINATION TOURNAMENTS. An elimination tournament may not be conducted in this state.

SECTION 18. The following provisions of the Occupations Code are repealed:

(1) Sections 2052.103, 2052.105, and 2052.106; and

(2) Subchapter E, Chapter 2052.

SECTION 19. This Act takes effect September 1, 2005.

COMMITTEE AMENDMENT NO. 1

Amend H.B. No. 2546 as follows:

(1) On page 8, line 12, strike "or" and substitute "[~~or~~]".

(2) On page 8, line 16, between "games" and the period, insert the following:

; or

(4) an event that is sponsored by a fraternity or sorority associated with an institution of higher education as defined by Section 61.003, Education Code

COMMITTEE REPORT

The Honorable Tom Craddick
Speaker of the House of Representatives

April 6, 2005
(date)

Sir:

We, your COMMITTEE ON LICENSING AND ADMINISTRATIVE PROCEDURES

to whom was referred HB 2546 have had the same under consideration and beg to report back with the recommendation that it

( ) do pass, without amendment.
(X) do pass, with amendment(s).
( ) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

(X) yes ( ) no A fiscal note was requested.

( ) yes (X) no A criminal justice policy impact statement was requested.

( ) yes (X) no An equalized educational funding impact statement was requested.

( ) yes (X) no An actuarial analysis was requested.

( ) yes (X) no A water development policy impact statement was requested.

(X) yes ( ) no A tax equity note was requested.

( ) The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor _____

Joint Sponsors: _____ / _____ / _____ / _____

Co-Sponsors: _____

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Flores, Chair	X			
Geren, Vice-chair				X
Chisum				X
Goolsby	X			
Hamilton	X			
Homer	X			
Jones, D.	X			
Morrison	X			
Quintanilla	X			

Total
7 aye
0 nay
0 present, not voting
2 absent

CHAIR

BILL ANALYSIS

H.B. 2546
By: Goolsby
Licensing & Administrative Procedures
Committee Report (Amended)

BACKGROUND AND PURPOSE

Boxing was first regulated by the state in 1933 as a way to increase government revenue during the Great Depression. In the decades since, the law has evolved primarily to protect the physical and fiscal health of the boxers and to ensure the fairness of the fight. H.B. 2546 continues this process and provides the Texas Department of Licensing and Regulation (department) the means to accommodate the growth of combative sports in Texas. H.B. 2546 will encourage the growth of combative sports while improving the state's economic advantage over competitive states. It also will allow the department to concentrate its resources where they are most needed and enhance regulation of emerging combative sports. Combative sports continue to evolve and the law needs to be updated to reflect the current state of boxing and other combative sports.

As proposed, H.B. 2546 will prohibit elimination tournaments in Texas. Texas currently assesses a three percent tax on the broadcasting rights receipts for combative sports. Unlike many states, the Texas tax has no cap. H.B. 2546 will set a cap of $30,000 on the broadcasting tax.

Further, H.B. 2546 reduces regulation and red tape for established amateur sporting organizations by removing the requirement that the organization be recognized by the executive director of the department and that they notify the department in advance of their events.

H.B. 2546 improves regulation of less established amateur combative sports organizations by requiring them to have their rules reviewed annually by the department.

Finally, H.B. 2546 ends the requirement that professional wrestling promoters register with the Texas Secretary of State.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation in SECTION 2 (Section 2052.052, Occupations Code) and SECTION 15 (Section 2052.251, Occupations Code) of this bill.

ANALYSIS

SECTION 1. Amends Section 2052.002, Occupations Code, as follows:

Sec. 2052.002. DEFINITIONS. Defines "amateur," "amateur combative sports association," "combative sports," "contest," "kickboxing," "martial arts," "match," and "mixed martial arts."

Redefines "boxing," "elimination tournament," "exhibition," "judge," "professional combative sports contestant," "promoter," and "referee."

Deletes existing definitions of "boxing promoter," "championship tournament," "elimination tournament boxing promoter," "elimination tournament contestant," "local tournament," "regional tournament," and "wrestling promoter."

SECTION 2. Amends Subsection (b), Section 2052.052, Occupations Code, to modify the areas for which the Texas Commission of Licensing and Regulation (commission) is authorized to adopt rules relating to boxing, martial arts, or mixed martial arts.

SECTION 3. Amends Subsection (a), Section 2052.055, Occupations Code, to make a conforming change.

SECTION 4. Amends Section 2052.101, Occupations Code, to make conforming changes.

SECTION 5. Amends the heading to Section 2052.102, Occupations Code, to read as follows:

Sec. 2052.102. PROMOTER LICENSE APPLICATION REQUIREMENTS.

SECTION 6. Amends Subsection (a), Section 2052.102, Occupations Code, to make a conforming change.

SECTION 7. Amends Section 2052.107, Occupations Code, to make conforming changes.

SECTION 8. Amends Section 2052.110, Occupations Code, as follows:

Sec. 2052.110. LICENSE AND BONDING EXCEPTIONS. Provides that, if the contestants are amateurs, the licensing and bonding requirements of this chapter, rather than subchapter, do not apply to:

(1) an event conducted by a college, school, or university that is part of the institution's athletic program in which only students of educational institutions participate;

(2) an event which is conducted by a troop, battery, company, or unit of the Texas National Guard or a law enforcement agency, and in which only members of military or law enforcement organizations participate;

(3) an event which is conducted by an organization of the Olympic Games, the Paralympic Games, or the Pan-American Games and in which participants train or compete for advancement to or within the games. Deletes existing exceptions relating to a boxing events conducted with no prizes or that are conducted by a nonprofit organization. Renumbers subdivisions to reflect changes; or

(4) an event that is sponsored by a fraternity or sorority associated with an institution of higher education as defined by Section 61.003, Education Code.

SECTION 9. Amends Section 2052.111, Occupations Code, to authorize the executive director to deny an application for a license or registration if certain circumstances apply.

SECTION 10. Amends Section 2052.113, Occupations Code, to make conforming changes.

SECTION 11. Amends Subchapter C, Chapter 2052, Occupations Code, by amending Sections 2052.116 and 2052.117, as follows:

Sec. 2052.116. AMATEUR COMBATIVE SPORTS ASSOCIATION REGISTRATION. Prohibits a person from acting as an amateur combative sports association unless the person is registered under this chapter.

Sec. 2052.117. AMATEUR COMBATIVE SPORTS ASSOCIATION REGISTRATION REQUIREMENTS. (a) Requires an applicant for registration as an amateur combative sports association to apply on a form acceptable to the executive director.

(b) Requires that an application be accompanied by a fee and certain information.

(c) Requires that rules of the association be approved by the department.

SECTION 12. Amends Section 2052.151, Occupations Code, as follows:

Sec. 2052.151. IMPOSITION AND RATE OF TAX. (a) Makes conforming changes.

(b) Provides that the tax, rather than the rate of the tax, is three percent of the gross receipts obtained from the sale of tickets to the event, and, in addition, three percent of gross receipts received from sales of broadcast rights or $30,000, whichever is less.

SECTION 13. Amends Subsections (a) and (b), Section 2052.152, Occupations Code, as follows:

(a) Makes nonsubstantive changes.

(b) Includes a check in the forms of acceptable payment a person is required to attach to a report.

SECTION 14. Amends Section 2052.153, Occupations Code, to specify that a person exhibiting a simultaneous telecast of a live, spontaneous, or current combative sports event on a closed circuit telecast that occurs in Texas in which a fee is charge for admission to the exhibition is required to meet certain requirements, including compliance with the tax provisions of both Sections 2052.151 and 2052.152. Makes conforming changes.

SECTION 15. Amends Section 2052.251, Occupations Code, as follows:

Sec. 2052.251. New heading: GLOVES. Requires a combative sports event contestant to wear gloves of the type and weight specified by commission rule, rather than eight-ounce boxing gloves, unless the commission by applicable rule requires or permits contestants to not wear gloves. Makes conforming changes.

SECTION 16. Amends Section 2052.252, Occupations Code, as follows:

Sec. 2052.252. New heading: REGULATED AMATEUR EVENTS. (a) Provides that this section applies to an amateur combative sports event, other than an event described by Section 2052.110, rather than 2052.110(2), (3), (4), or (5) or an elimination tournament subject to Subchapter E, in which a fee is charged for admission to the event.

(b) Requires the amateur combative sports association sponsoring or producing the event to register with the department not later than 30 days before the date the event begins.

(c) Creates subsection from existing text.

(d) Requires each contestant, rather than entry, in the event to have been a member of the amateur combative sports association for the 30-day period immediately preceding the date the event begins and is required to be a member on the date of the event. Deletes existing text requiring registration not later than the third day before an event.

(e) Requires the amateur combative sports association, rather than organization, to determine the amateur standing of the event contestants and to establish training programs consisting of at least 30 days of training for each contestant.

(f) Creates subsection from existing text. Deletes existing text requiring profits from events to be used to develop amateur athletics.

(g) Redesignated from existing Subsection (h). Deletes text of existing Subsection (g) authorizing only a licensed judge or referee to participate in the event.

(h) Prohibits a professional combative sports contestant licensed under this chapter from participating as a contestant, rather than in any capacity, in the event.

SECTION 17. Amends Subchapter F, Chapter 2052, Occupations Code, by adding Section 2052.254, as follows:

Sec. 2052.254. ELIMINATION TOURNAMENTS. Prohibits an elimination tournament from being conducted in this state.

SECTION 18. Repealers in the Occupations Code:

(1) Sections 2052.103 (Elimination Tournament Boxing Promoter License Application Requirements), 2052.105 (Wrestling Promoter Registration), and 2052.106 (Wrestling Promoter Application Requirements); and

(2) Subchapter E (Regulation of Elimination Tournaments), Chapter 2052.

SECTION 19. Effective date: September 1, 2005.

EFFECTIVE DATE

September 1, 2005.

EXPLANATION OF AMENDMENTS

Committee Amendment No.1 provides that if the contestants are amateurs, the licensing and bonding requirements of this chapter do not apply to an event that is sponsored by a fraternity or sorority associated with an institute of higher education as defined by Section 61.003, Education Code.

SUMMARY OF COMMITTEE ACTION

HB 2546

March 30, 2005 10:30AM or upon final adjourn./recess

Considered in public hearing
Amendment(s) considered in committee
Left pending in committee

April 6, 2005 8:00AM

Considered in public hearing
Amendment(s) considered in committee
Reported favorably as amended

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LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 9, 2005

TO: Honorable Kino Flores, Chair, House Committee on Licensing & Administrative Procedures

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: **HB2546** by Goolsby (relating to the combative sports program.), **Committee Report 1st House, As Amended**

No significant fiscal implication to the State is anticipated.

The bill would amend the Occupations Code by defining combative sports terms relating to the Combative Sports Program in the Department of Licensing and Regulation (TDLR), such as "amateur", "amateur combative sports association", and "contest". The bill would define "combative sports" to include boxing, kickboxing, martial arts, and mixed martial arts, where participants voluntarily engage in full contact to score points, to cause an opponent to submit, or to disable an opponent in a contest, match, or exhibition.

The bill states that an elimination tournament and wrestling promoter registration and application may not be conducted in this state by repealing Sections 2052.103, 2052.105, 2052.106, and Subchapter E, Chapter 2052, of the Occupations Code. According to TDLR, previous legislation placed sufficient restrictions on elimination tournaments to reduce their frequency to one or two events a year, so tax revenue from that particular type of tournament is assumed to be insignificant.

The bill would broaden the scope of matches subject to a 3 percent gross receipts tax, split the tax base to distinguish between ticket and broadcast right sales, and cap the tax collections from the broadcast rights base at $30,000. The revenue implications of this provision would depend on the number, popularity, and timing of the events subject to tax and are estimated by TDLR to be insignificant.

Based on information provided by TDLR, it is assumed that the provisions of this bill could be implemented utilizing existing resources.

The bill would take effect September 1, 2005.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation
LBB Staff: JOB, JRO, MW, DE, RR

Lp

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 29, 2005

TO: Honorable Kino Flores, Chair, House Committee on Licensing & Administrative Procedures

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB2546 by Goolsby (Relating to the combative sports program.), **As Introduced**.

No significant fiscal implication to the State is anticipated.

The bill would amend the Occupations Code by defining combative sports terms relating to the Combative Sports Program in the Department of Licensing and Regulation (TDLR), such as "amateur", "amateur combative sports association", and "contest". The bill would define "combative sports" to include boxing, kickboxing, martial arts, and mixed martial arts, where participants voluntarily engage in full contact to score points, to cause an opponent to submit, or to disable an opponent in a contest, match, or exhibition.

The bill states that an elimination tournament and wrestling promoter registration and application may not be conducted in this state by repealing Sections 2052.103, 2052.105, 2052.106, and Subchapter E, Chapter 2052, of the Occupations Code. According to TDLR, previous legislation placed sufficient restrictions on elimination tournaments to reduce their frequency to one or two events a year, so tax revenue from that particular type of tournament is assumed to be insignificant.

The bill would broaden the scope of matches subject to a 3 percent gross receipts tax, split the tax base to distinguish between ticket and broadcast right sales, and cap the tax collections from the broadcast rights base at $30,000. The revenue implications of this provision would depend on the number, popularity, and timing of the events subject to tax and are estimated by TDLR to be insignificant.

Based on information provided by TDLR, it is assumed that the provisions of this bill could be implemented utilizing existing resources.

The bill would take effect September 1, 2005.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation
LBB Staff: JOB, JRO, MW, DE, RR

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LEGISLATIVE BUDGET BOARD
Austin, Texas

TAX/FEE EQUITY NOTE

79TH LEGISLATIVE REGULAR SESSION

March 30, 2005

TO: Honorable Kino Flores, Chair, House Committee on Licensing & Administrative Procedures

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB2546 by Goolsby (Relating to the combative sports program.), **As Introduced**

No statistically significant impact on the overall distribution of a state tax or fee burden among individuals and businesses is anticipated from the provisions of this bill.

Source Agencies:
LBB Staff: JOB, SJS

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H.B. No. 2546 By Tony Goolsby

A BILL TO BE ENTITLED
AN ACT

Relating to the combative sports program

MAR 10 2005 Filed with the Chief Clerk

MAR 15 2005 Read first time and referred to Committee on Licensing & Administrative Procedures

APR 06 2005 Reported ____favorably (as amended)
(~~substituted~~)

APR 19 2005 Sent to Committee on (Calendars)
(~~Local & Consent Calendars~~)

_____ Read second time (comm. subst.) (amended); passed to third reading (failed) by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ Constitutional rule requiring bills to be read on three several days suspended (failed to suspend)
by a vote of _____ yeas, _____ nays, _____ present, not voting

_____ Read third time (amended); finally passed (failed to pass) by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ Engrossed

_____ Sent to Senate

_____
CHIEF CLERK OF THE HOUSE

OTHER HOUSE ACTION:

APR 28 2005 HB 2546 LAID ON TABLE
SUBJECT TO CALL

_____ Received from the House

_____ Read and referred to Committee on _____

_____ Reported favorably _____

_____ Reported adversely, with favorable Committee Substitute; Committee Substitute read first time

_____ Ordered not printed

_____ Laid before the Senate

_____ Senate and Constitutional Rules to permit consideration suspended by (unanimous consent)
(_____ yeas, _____ nays)

_____ Read second time, _____, and passed to third reading by (unanimous consent)
(a viva voce vote)
(_____ yeas, _____ nays)

_____ Senate and Constitutional 3 Day Rules suspended by a vote of _____ yeas, _____ nays

_____ Read third time, _____, and passed by a (viva voce vote)
(_____ yeas, _____ nays)

_____ Returned to the House

_____
SECRETARY OF THE SENATE

OTHER SENATE ACTION:

_____ Returned from the Senate (as substituted)
(with amendments)

_____ House concurred in Senate amendments by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ House refused to concur in Senate amendments and requested the appointment of a conference committee by a (non-record vote) (record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ House conferees appointed: _____, Chair; _____,

_____, _____, _____

_____ Senate granted House request. Senate conferees appointed: _____, Chair;

_____, _____, _____, _____

_____ Conference committee report adopted (rejected) by the House by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ Conference committee report adopted (rejected) by the Senate by a (viva voce vote)
(record vote of _____ yeas, _____ nays)

05 APR 19 AM 12:16
HOUSE OF REPRESENTATIVES