#### THE SENATE TWENTY-FOURTH LEGISLATURE, 2007 STATE OF HAWAII

**S.B. NO.**  $^{1712}_{S.D. 2}$ 

### A BILL FOR AN ACT

RELATING TO MIXED MARTIAL ARTS.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECTION 1. The Hawaii Revised Statutes is amended by
2	adding a new chapter to be appropriately designated and to read
3	as follows:
4	"CHAPTER
5	MIXED MARTIAL ARTS CONTESTS
6	<b>§ -1 Definitions.</b> As used in this chapter, unless the
7	context otherwise requires:
8	"Amateur mixed martial arts contest" means a mixed martial
9	arts contest in which no money, prize, purse, or other form of
10	compensation is offered or given to contestants.
11	"Department" means the department of commerce and consumer
12	affairs.
13	"Director" means the director of commerce and consumer
14	affairs.
15	"Executive officer" means the executive officer assigned to
16	the director.
17	"Manager" means any person who:

### **S.B. NO.** <sup>1712</sup> S.D. 2

Undertakes or has undertaken to represent in any way 1 (1)the interests of any mixed martial arts contestant in 2 procuring, arranging, or conducting any contest in 3 which the mixed martial arts contestant is to 4 5 participate; provided that "manager" shall not include an attorney licensed to practice in this State while 6 the attorney is representing the legal interests of a 7 mixed martial arts contestant as a client; or 8 Directs or controls the mixed martial arts activities 9 (2)of the mixed martial arts contestant. 10 "Mixed martial arts" means unarmed combat involving the 11 use, subject to any applicable limits set forth in this chapter 12 13 and any rules adopted to implement these limits, of a combination of techniques from different disciplines of martial 14

15 arts, including grappling, kicking, and striking.

16 "Mixed martial arts contest" or "contest" means a contest
17 or exhibition in which a mixed martial arts contestant competes
18 with another mixed martial arts contestant, using mixed martial
19 arts, whether or not for money, prize, purse, or other forms of
20 compensation, including an amateur mixed martial arts contest.

**S.B. NO.**  $^{1712}_{S.D. 2}$ 

1	"Mixed martial arts contestant" or "contestant" means a
2	person who is trained in mixed martial arts and competes in a
3	mixed martial arts contest.
4	"No rules combat, extreme or ultimate fighting, or similar
5	contest" means a contest or exhibition performed in this State
6	in which the contestants:
7	(1) Are permitted to use, with few or no rules or
8	restrictions, a combination of combative contact
9	techniques, including punches, kicks, chokes, joint
10	locks, and other maneuvers, with or without the use of
11	weapons, that place contestants at an unreasonably
12	high risk of bodily injury or death; and
13	(2) Have received, directly or indirectly, any money,
14	prize, reward, purse, or other compensation, or
15	promise thereof, for the expenses of training, taking
16	part in the contest, or winning the contest;
17	provided that the term does not include a contest involving the
18	exclusive use of boxing, wrestling, kickboxing, martial arts, or
19	mixed martial arts.
20	"Promoter" means an individual, corporation, joint venture,

20 "Promoter" means an individual, corporation, joint venture,
21 partnership, limited liability corporation, limited liability

S.B. NO. <sup>1712</sup> S.D. 2

partnership, or any other type of business entity that promotes,
 conducts, holds, or gives a mixed martial arts contest.

3 § -2 Executive officer. The director shall assign an
4 executive officer to carry out the director's activities,
5 duties, and other obligations under this chapter.

6 S -3 Assistants. The director may appoint and remove 7 assistants. The director may direct one or more assistants to be present at any mixed martial arts contest and to supervise 8 9 and control the mixed martial arts contest, in accordance with 10 this chapter and the rules adopted by the director pursuant 11 thereto. The assistants shall submit a written report to the 12 executive officer in the manner and form prescribed by the director detailing the conditions prevailing at every contest. 13

14 § -4 Other employees. Subject to chapter 76, the
15 department may employ clerks, inspectors, and other employees as
16 it deems necessary for the purposes of this chapter.

17 § -5 Authority to subpoena witnesses and administer
18 oaths and penalties. The director may issue subpoenas for the
19 attendance of witnesses, with the same effect as if the
20 subpoenas were issued in an action in the circuit court, and may
21 administer oaths in all matters connected with the

22 administration of this chapter. Disobedience of a subpoena and SB1712 SD2 LRB 07-2938.doc

Page 5

# **S.B. NO.** <sup>1712</sup> s.d. <sup>2</sup>

false swearing before the executive officer or the director
 shall be attended by the same consequences and be subject to the
 same penalties as if disobedience or false swearing occurred in
 an action in the circuit court.

5 § -6 Powers and duties of the director. (a) In
6 addition to any other powers and duties authorized by law, the
7 director shall have the following powers and duties:

8 (1) To adopt, amend, or repeal rules and forms as
9 necessary to effectuate this chapter. All rules shall
10 be pursuant to chapter 91 and shall have the force and
11 effect of law. The rules may include, but not limited
12 to the following:

13 (A) An appropriate method of ensuring that all
14 financial obligations are met by a promoter who
15 conducts, holds, or gives a mixed martial arts
16 contest;

17 (B) A public record accounting for the distribution
18 of all tickets provided to the director by a
19 promoter and anything else of value which is
20 provided to the director;

21 (C) Clinics or seminars on health and safety for
22 licensees deemed necessary by the director;



# **S.B. NO.** <sup>1712</sup> S.D. <sup>2</sup>

1 (D) A mandatory neurological examination for any mixed martial arts contestant who is knocked out 2 3 in a mixed martial arts contest, and an eye examination as part of a mixed martial arts 4 contestant's annual medical examination; 5 (E) An automatic medical suspension from mixed 6 7 martial arts contests for a period of time to be 8 determined by the director for any mixed martial 9 arts contestant who is knocked out from head blows or who has received a severe beating about 10 11 the head. The period of time of the automatic 12 medical suspension shall be based upon the 13 severity of the beating received by the mixed 14 martial arts contestant; 15 (F) Procedures to evaluate the professional records and physician's certification of each mixed 16 17 martial arts contestant participating in a mixed martial arts contest in the State and to deny 18 19 authorization to a mixed martial arts contestant 20 to fight when the requirements of this paragraph 21 are not met;

1	(G) Procedures to ensure that no mixed martial artist
2	is permitted to compete while under suspension
3	from any entity which regulates mixed martial
4	arts due to:
5	(i) A recent knockout or series of consecutive
6	losses;
7	(ii) An injury, any required medical procedure,
8	or a physician's denial of certification to
9	compete;
10	(iii) Failure of any drug test; or
11	(iv) The use of false aliases or falsifying or
12	attempting to falsify official
13	identification cards or documents relating
14	to mixed martial arts contests;
15	(H) Procedures to review a suspension if appealed by
16	a mixed martial arts contestant, including an
17	opportunity for the contestant to present
18	contradictory evidence;
19	(I) Procedures to revoke a suspension if a mixed
20	martial arts contestant furnishes proof of
21	sufficiently improved medical or physical
22	condition or furnishes proof that the suspension

1		was not, or is no longer, warranted by the facts;
2		and
3	( J	) Procedures to require updated medical and
4		criminal background checks prior to a contest and
5		at the time of license renewal; and
6	(2) To	enforce this chapter and the rules adopted pursuant
7	th	ereto; and
8	(3) To	discipline a person or entity who violates this
9	ch	apter or the rules adopted pursuant thereto.
10	(b) Th	e director shall either establish a mixed martial
11	arts registr	y or data bank on mixed martial arts contestants or
12	use a regist	ry or data bank already established and approved by
13	the director	, and issue identification cards to mixed martial
14	arts contest	ants.
15	(c) Th	e director may appoint an advisory committee to
16	assist with	the implementation of this chapter and any rules
17	adopted purs	uant to this chapter.
18	\$ <b>-7</b>	Jurisdiction of director. (a) The director is
19	vested with	the sole jurisdiction, direction, management, and
20	control over	all mixed martial arts contests to be conducted,
21	held, or giv	en within the State; provided that this shall not
22	include amat	eur mixed martial arts contests. No mixed martial
	SB1712 SD2 L	RB 07-2938.doc

9

1	arts cont	est shall be conducted, held, or given within the State
2	except in	accordance with this chapter and the rules adopted by
3	the direc	tor pursuant thereto.
4	(b)	No mixed martial arts contest shall take place unless
5	the direc	tor has granted a permit for the proposed contest. In
6	addition,	the director shall not allow any mixed martial arts
7	contest u	nless:
8	(1)	The contest consists of not more than five rounds of a
9		duration of not more than five minutes each with an
10		interval of at least one minute between each round and
11		the succeeding round;
12	(2)	Each contestant is at least eighteen years of age, is
13		not disqualified from competing in a similar mixed
14		martial arts contest in another jurisdiction at the
15		time of the contest, and does not use stimulants or
16		banned substances before or during the contest;
17	(3)	Each mixed martial arts contestant is examined one
18	· ·	hour prior to the contest by at least one physician
19		licensed under chapter 453 or 460 who shall certify in
20		writing to the referee of the contest that the
21		contestant is physically fit to engage therein;
22	(4)	Each contestant furnishes to the director:

# S.B. NO. $^{1712}_{S.D. 2}$

1		(A) A medical report of a medical examination
2		completed not less than six months before the
3		contest, including the results of HIV and
4		hepatitis testing; and
5		(B) Previous fight records that establish the
6		contestant's fitness to compete in the contest;
7	(5)	The contest is under the control of a licensed referee
8		in the ring who has at least one year's experience in
9		refereeing a match or exhibition involving mixed
10		martial arts and who has passed a physical examination
11		by a physician licensed under chapter 453 or 460,
12		including an eye examination, within two years prior
13		to the contest;
14	(6)	The promoter has complied with sections $-8$ and
15		-9; and
16	(7)	All participants have complied with the requirements
17		of this chapter and rules adopted in accordance with
18		chapter 91, including any rules or requirements that
19		protect the safety of the contestants to the extent
20		feasible.
21	(c)	No person shall hold, promote, or participate in no

22 rules combat, extreme or ultimate fighting, or similar contests.

SB1712 SD2 LRB 07-2938.doc

#### S.B. NO. <sup>1712</sup> S.D. 2

11

The director shall enforce the prohibition on no rules combat,
 extreme or ultimate fighting, or similar contests, and may adopt
 rules, pursuant to chapter 91, to enforce the prohibition. In
 addition to any applicable judicial remedy, a person who
 violates this subsection shall be subject to the penalties,
 fines, and other provisions applicable to violators of this
 chapter.

8 § -8 Licenses; promoters. (a) A promoter may apply to
9 the director for a license which shall be required to conduct,
10 hold, or give mixed martial arts contests. The application
11 shall be in writing, addressed to the director, and signed by
12 the applicant, and shall include the following:

- 13 (1) Evidence of financial integrity in accordance with
  14 rules adopted by the director pursuant to chapter 91;
  15 and
- 16 (2) Proof that the applicant has currently satisfied all
  17 of the applicable requirements of the department's
  18 business registration division.

19 (b) The application shall contain a recital of the facts
20 as may be specified by the director for the director to
21 determine whether or not the applicant possesses the necessary



Page 12

physical, mental, moral, and financial qualifications to entitle
 the applicant to a license.

3 (c) The director shall not issue any license to conduct, 4 hold, or give mixed martial arts contests unless the director is 5 satisfied that the applicant has complied with the conditions of 6 this chapter, possesses the necessary qualifications for a 7 license, is the real party in interest, and intends to conduct, hold, or give the mixed martial arts contest itself. 8 The 9 director shall not issue a promoter's license to an applicant if 10 the applicant or any of the applicant's officers, partners, 11 members, or associates have been convicted of any crime related 12 to gambling or a crime that is directly related to the person's 13 performance in the sport of mixed martial arts.

14 (d) A license may be revoked at any time if the director15 finds after a hearing that:

16 (1) The licensee is not the real party in interest or has
17 not complied with this chapter or the rules of the
18 director; or

19 (2) The licensee or any of the licensee's officers,
20 partners, members, or associates have been convicted
21 of any crime related to gambling or a crime that is

SB1712 SD2 LRB 07-2938.doc

Page 13

1 directly related to the person's performance in the 2 sport of mixed martial arts. 3 (e) Every license shall be subject to this chapter and the rules of the director. 4 The application for a license to promote mixed martial 5 (f) 6 arts contests shall be accompanied by a fee as provided in rules adopted by the director pursuant to chapter 91. 7 8 S Permit required to hold each mixed martial arts -9 9 contest. (a) No mixed martial arts contest shall be held 10 unless the director issues a permit for the contest. To obtain a permit to conduct, hold, or give a mixed martial arts contest, 11 a promoter shall: 12 (1) Provide proof of medical insurance for mixed martial 13 14 arts contestants in accordance with rules adopted by the director. All promoters shall be responsible for 15 16 paying any deductible amount of the medical insurance policy; 17 18 (2) Submit all contracts with managers, mixed martial arts contestants, and venues, including any agreement of 19 pre-contest training funds advanced to any contestant 20 21 either by the promoter or manager or any party of

SB1712 SD2 LRB 07-2938.doc

#### S.B. NO. <sup>1712</sup> S.D. 2

14

interest, to the director for the director's review 1 and approval; 2 3 (3) Submit to the director, for the director's review and approval, all ring records of all mixed martial arts 4 5 contestants scheduled to participate in the contest; (4) Provide cashier's or certified checks made payable to 6 7 each mixed martial arts contestant for the amount due 8 the contestant or the contestant's manager, as the case may be, in accordance with the contracts approved 9 10 by the director; (5) Provide to the director written confirmation that an 11 ambulance with paramedics and appropriate security 12 have been obtained and will be present at all times at 13 the venue of the mixed martial arts contest; 14 (6) Provide evidence to the director that security 15 personnel and resources will be present in sufficient 16 17 number and force to exercise crowd control and to protect spectators at the mixed martial arts contest; 18 (7) Provide to the director evidence that the mixed 19 20 martial arts contest will be conducted in compliance with municipal fire codes; and 21

Page 15

(8) Maintain sanitary conditions at the mixed martial arts
 contest.

3 (b) Failure, refusal, or neglect of any licensed promoter
4 to comply with this section shall result in the automatic denial
5 of a permit to hold the mixed martial arts contest.

6 (c) Licensed promoters may engage in promotions with other
7 licensed promoters as long as each promoter holds a valid,
8 unexpired license and has received the written approval of the
9 director prior to the promotion.

10 In addition to the payment of other fees and moneys (d)due under this chapter, a licensed promoter shall pay: 11 A license fee of three per cent of the first \$50,000 12 (1)of the total gross receipts from admission fees to a 13 contest, exclusive of federal, state, and local taxes; 14 A license fee of two per cent of the total gross 15 (2)receipts over \$50,000 from admission fees to a 16 contest, exclusive of federal, state, and local taxes; 17 (3)Two per cent of the gross sales price for the sale, 18 19 lease, or other exploitation of broadcasting, 20 television, Internet, and motion picture rights for a contest, without any deductions for commission, 21 22 brokerage fees, distribution fees, advertising,

SB1712 SD2 LRB 07-2938.doc

#### S.B. NO. <sup>1712</sup> S.D. 2

1 contestants' purses, or any other expenses or charges, 2 including federal, state, or local taxes; and 3 (4) Two per cent of the gross receipts from subscription 4 or admission fees, exclusive of federal, state, and 5 local taxes, charged for viewing within the State of a 6 simultaneous telecast of a contest;

7 provided that payments under this subsection shall be deposited 8 into a separate account in the compliance resolution fund and 9 shall be used for the costs of administering this chapter and 10 for costs incurred by the advisory committee.

(e) Within seven days following a mixed martial arts
contest, the promoter shall provide the director with an
unedited video record of the contest in a format prescribed by
the director.

15 (f) No mixed martial arts contest shall be commenced16 without a permit from the director pursuant to this section.

17 § -10 Licenses, participants. (a) Any person may apply
18 to the director for a license to act as a physician, referee,
19 judge, manager, second, or mixed martial arts contestant to
20 participate, either directly or indirectly, in any mixed martial
21 arts contest. The application shall be in writing, addressed to
22 the director, and signed by the applicant. The application



ţ€

#### S.B. NO. <sup>1712</sup> S.D. 2

shall contain a recital of facts as specified by the director
 for the director to determine whether or not the applicant
 possesses the necessary licensure and physical, mental, and
 moral qualifications to entitle the applicant to a license. The
 director shall adopt rules for licensure in accordance with
 chapter 91.

7 (b) In addition, the applicant for a referee, judge, 8 manager, or second license shall take and pass a written 9 examination as provided by the director. The director may 10 exempt an applicant for a manager or second license from taking 11 the examination, if the applicant holds a valid manager or 12 second license in another jurisdiction with comparable mixed 13 martial arts regulations.

(c) Any license to act as a physician, referee, judge,
manager, second, or mixed martial arts contestant may be
suspended or revoked, or the person otherwise disciplined by the
director after a contested case hearing held in accordance with
chapter 91.

19 (d) No license shall be granted to a contestant or
20 promoter unless the contestant or promoter has authorized the
21 Hawaii criminal data justice center to release a criminal

SB1712 SD2 LRB 07-2938.doc

#### S.B. NO. <sup>1712</sup> S.D. 2

19

1 history record check on the contestant to the director and the director has received the criminal history record information. 2 -11 License fees. License fees shall be paid 3 S biennially to the State by every applicant to whom a license is 4 5 issued to participate in the conduct of mixed martial arts in 6 any of the following capacities set forth in this chapter: promoter, physician, referee, judge, manager, second, and mixed 7 martial arts contestant. The charge for a duplicate license and 8 9 all fees required by this chapter shall be as provided in rules 10 adopted by the director pursuant to chapter 91 and shall be 11 deposited with the director to the credit of the compliance 12 resolution fund.

13 § -12 Licenses, limitations, renewals. (a) No mixed 14 martial arts contest shall be conducted, held, or given unless 15 all the parties participating, as designated in this chapter, 16 are licensed by the director, and it shall be unlawful for any 17 individual or promoter to participate in a contest in any 18 capacity designated in this chapter unless the person is 19 licensed to do so.

20 (b) The director may limit the number of licenses issued21 for any purpose as specified in this chapter and may limit the

Page 19

number of mixed martial arts contests conducted, held, or given
 in any county.

3 (c) All licenses shall be for a period of not more than
4 two years and all licenses shall expire on December 31 of each
5 even-numbered year.

6 (d) The director, at the director's discretion and upon
7 application, may renew a license for the following biennium.
8 Failure to timely apply for renewal of any license shall result
9 in the automatic forfeiture of the license. Any applicant whose
10 license has been forfeited shall file an application for a new
11 license and meet all current requirements, including successful
12 passage of the examination, as the case may be, for the license.

(e) Every individual or promoter licensed under thischapter shall be subject to the rules adopted by the director.

-13 Receipts and reports thereon. (a) Every promoter 15 S. holding a license to conduct, hold, or give mixed martial arts 16 17 contests, within seventy-two hours after the determination of 18 every contest for which admission fees are charged and received, 19 shall furnish to the director a written report, duly verified, 20 showing the number of tickets sold for the contest, the amount 21 of the gross receipts or proceeds thereof, and other matters as 22 the director prescribes.

SB1712 SD2 LRB 07-2938.doc

### **S.B. NO.** <sup>1712</sup> S.D. <sup>2</sup>

1 (b) For purposes of this section, "gross receipts" includes income received from the sale of print, Internet, 2 broadcasting, television, and motion picture rights. 3 S. -14 Failure to report receipts. Whenever any promoter 4 5 holding a license to conduct, hold, or give mixed martial arts contests fails to make a report of any contest at the time and 6 in the manner prescribed by this chapter, or whenever the report 7 is unsatisfactory to the director, the executive officer, at the 8 9 licensee's expense, may examine or cause to be examined, the books and records of the promoter. 10 -15 Admission tickets. All tickets of admission to 11 S

12 any mixed martial arts contest for which admission fees are 13 charged and received shall have printed clearly upon the face 14 thereof the purchase price of same, and no ticket shall be sold 15 for more than the price as printed thereon.

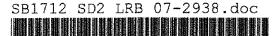
16 § -16 Inspectors; duties. The director shall appoint
17 official representatives designated as inspectors, each of whom
18 shall receive from the director a card or badge authorizing the
19 person to act as inspector whenever the director may designate
20 the person to so act. An inspector or the executive officer
21 shall be present at all mixed martial contests and see that this

SB1712 SD2 LRB 07-2938.doc

chapter and the rules adopted pursuant thereto are strictly
 observed.

3 § -17 Judges; duties. The director, in the director's
4 discretion may appoint two licensed judges to act with the
5 referee in rendering a decision, or three licensed judges to act
6 with a nonvoting referee in rendering a decision.

-18 Physician; duties. Every promoter holding a 7 S. license to conduct, hold, or give mixed martial arts contests 8 shall have in attendance at every contest at least two 9 10 physicians licensed to practice medicine in the State under 11 chapter 453 or 460, who shall observe the physical condition of 12 the mixed martial arts contestants and advise the referee with 13 regard thereto and, one hour before each contestant enters the 14 ring, certify in writing as to the physical condition of the 15 contestant to engage in the contest. A report of the medical examination shall be filed with the director not later than 16 forty-eight hours after the termination of the contest. 17 In 18 addition, at least one physician shall immediately examine every contestant who was knocked down or who sustained a severe 19 beating about the head during the contest and shall file a 20 21 written medical opinion within forty-eight hours of the contest 22 to the executive officer.



Page 22

## **S.B. NO.** <sup>1712</sup> S.D. <sup>2</sup>

§ -19 Referees; duties. (a) At each mixed martial arts
 contest there shall be in attendance a duly licensed referee
 designated by the director, who shall direct and control the
 contest. The referee shall render a decision for each contest,
 except as otherwise provided under section -17.

6 (b) The referee may recommend and the director, in the 7 director's discretion, may declare the termination of the contest or the forfeiture of any prize, purse, or remuneration, 8 9 or any part thereof, to which one or both of the mixed martial 10 arts contestants may be entitled, or any part of the gate 11 receipts for which the contestants are competing, if in the 12 director's judgment one or both of the contestants are not honestly competing. 13

14 (c) Each referee shall warn contestants of the referee's 15 power to terminate the contest or to recommend the forfeiture of 16 any purse or purses, should there be any apparent cause for the 17 warning.

(d) In any case where the referee decides that the
contestants are not honestly competing and that under the law
the contest should be terminated or that the purse or purses of
one or both of the contestants should be forfeited, the contest
shall be stopped before the end of the last round, and no



## **S.B. NO.** $^{1712}_{S.D. 2}$

23

1 decision shall be given. A contestant earns nothing and shall
2 not be paid for a contest in which there is stalling, faking,
3 dishonesty, or collusion. The director, independently of the
4 referee or the referee's decision, may determine the merits of
5 any contest and take whatever action the director considers
6 proper. In any case, the executive officer may order the purse
7 of the offender held up for investigation and action.

8 (e) The referee shall stop the contest when, in the
9 referee's judgment, either of the contestants shows a marked
10 superiority or is apparently outclassed.

11 § -20 Drug test; withholding of wages; penalty. (a) On
12 the advice of one or both of the physicians in attendance at
13 every contest, a post-contest drug test may be administered to
14 any contestant, at the sole expense of the promoter, to
15 determine whether the contestant has consumed any illegal drugs
16 or drugs banned by the commission.

(b) Any wages due to a contestant shall be withheld by the commission until the commission, in consultation with the two attending physicians, is satisfied that the contestant did not have any illegal or banned drugs in the contestant's system.

(c) Any contestant who fails a drug test shall have theirlicense suspended by the commission for not less than twelve



Page 24

24

months from the date of the offense and, in the discretion of 1 2 the commission, may have their license permanently revoked. -21 Sham mixed martial arts contest; forfeiture of 3 S 4 license. Any promoter who conducts, holds, gives, or participates in any sham or fake mixed martial arts contest, 5 knowing the same to be a sham or fake, shall forfeit the license 6 issued in accordance with this chapter, and the license shall be 7 8 canceled and declared void by the director. The promoter and any officers, partners, or members of the promoter shall not 9 10 thereafter be entitled to receive and shall not be given another 11 license.

S -22 Sham mixed martial arts contest; penalty against 12 13 contestant. Any mixed martial arts contestant who knowingly participates in any sham or false mixed martial arts contest 14 shall be suspended by the director for not less than twelve 15 16 months from the date of the offense from further participation 17 in any contest held or given under this chapter and may be permanently disqualified from further participation in any 18 contest held or given under this chapter. 19

20 § -23 Financial interest in mixed martial arts
21 contestant prohibited. (a) The director shall not receive any
22 compensation from any person who sanctions, arranges, or

#### S.B. NO. <sup>1712</sup> S.D. 2

25

promotes mixed martial arts contests; nor shall the director 1 2 have, either directly or indirectly, any financial interest in 3 any contestant competing in any mixed martial arts contest. (b) For the purposes of this section, "compensation" shall 4 5 not include funds held in escrow for payment to another person 6 in connection with a mixed martial arts contest. The 7 prohibition set forth in this section shall not apply to any contract entered into, or any reasonable compensation received, 8 by the director to supervise a mixed martial arts contest in 9 10 this State or another state. -24 Wages of contestant; prepayment prohibited. All 11 S

11 moneys paid to a mixed martial arts contestant for services, as 13 money prize, reward, compensation, or otherwise, shall be 14 considered wages. No contestant shall be paid for services 15 before a mixed martial arts contest; provided that with the 16 approval of the director, a promoter may advance sums of money 17 for training purposes.

18 § -25 Disposition of receipts. Except as otherwise
19 provided for in this chapter, all fees and other moneys received
20 by the director shall be deposited into the compliance
21 resolution fund.

#### S.B. NO. <sup>1712</sup> S.D. 2

26

-26 Summary disciplinary action. The director may 1 S 2 fine, withhold purse money or fees, and issue immediate temporary suspensions of not more than sixty days against a 3 4 licensee for violations of this chapter or rules adopted 5 pursuant thereto. The director shall notify the licensee in 6 writing of any temporary suspension, fine, or withholding of 7 purse money within five days of the director's action. The licensee shall have a right to a hearing in accordance with 8 9 chapter 91; provided that the licensee notifies the director in 10 writing of the request for a hearing within thirty days after 11 the director notifies the licensee in writing, by mail or 12 personal service, of the director's order.

S -27 Chapter does not apply to active duty armed 13 forces, national guard, armed forces reserve, or Police 14 Activities League. This chapter shall not apply to any mixed 15 16 martial arts contest held as a recreational activity by active 17 duty armed forces, armed forces reserve, or national guard 18 personnel, or the Police Activities League, when the contest is 19 held under the supervision of a recreational officer of the 20 active duty armed forces, armed forces reserve, national quard, 21 or a Police Activities League staff member.

SB1712 SD2 LRB 07-2938.doc

# S.B. NO. $^{1712}_{S.D. 2}$

1	ş	-28 Revocation; suspension. (a) In addition to any
2	other act	s or conditions provided by law, the director may
3	refuse to	renew, reinstate, or restore or may deny, revoke,
4	suspend,	fine, reprimand, or condition in any manner, the
5	license o	f any person or entity issued under this chapter, for
6	any cause	authorized by law, including but not limited to the
7	following	:
8	(1)	Violation of any provision of this chapter or the
9		rules adopted pursuant thereto, or any other law or
10		rule that applies to those persons licensed under this
11		chapter;
12	(2)	Manifest incapacity, professional misconduct, or
13		unethical conduct;
14	(3)	Making any false representations or promises through
15		advertising or other dissemination of information;
16	(4)	Any fraudulent, dishonest, or deceitful act in
17		connection with the licensing of any promoter under
18		this chapter or in connection with any mixed martial
19		arts contest;
20	(5)	Making any false or misleading statement in any
21		application or document submitted or required to be
22		filed under this chapter;
		2 LRB 07-2938.doc 27

### S.B. NO. <sup>1712</sup> S.D. 2

28

Revocation or suspension of a license or other 1 (6) 2 disciplinary action against the licensee by any other regulatory entity over mixed martial arts contests; 3 Failure to report any disciplinary action, including 4 (7)medical and mandatory suspensions, or revocation or 5 suspension of a license in another jurisdiction not 6 less than fifteen days preceding any mixed martial 7 arts match in which the licensee participates or 8 within thirty days following the disciplinary decision 9 10 whichever is earlier; or

11 (8) Participation in any sham or false mixed martial arts12 contest.

(b) A manager may be held responsible for all violations
of this chapter by a mixed martial arts contestant whom the
manager manages and may be subject to license revocation or
suspension, or a fine, or any combination thereof, irrespective
of whether any disciplinary action is taken against the mixed
martial arts contestant.

19 § -29 Penalties. (a) Any person in violation of this
20 chapter or the rules adopted pursuant thereto shall be fined not
21 more than \$5,000 for each violation. Each day's violation or
22 failure to comply shall be deemed a separate offense.

### S.B. NO. <sup>1712</sup> S.D. 2

29

(b) In addition to the penalties provided in this chapter,
 any person in violation of this chapter may be prohibited from
 engaging in any mixed martial arts activities in the State for a
 period in conformity with that set forth in section 92-17.

5 § -30 Cumulative penalties. Unless otherwise expressly
6 provided, the remedies or penalties provided by this chapter are
7 cumulative to each other and to the remedies or penalties
8 available under all other laws of this State.

9 § -31 Injunctive relief. The director may, in addition
10 to any other remedies available, bring an action in any court of
11 this State to enjoin a person from continuing any violation of
12 this chapter or doing any acts in furtherance thereof, and for
13 any other relief that the court deems appropriate."

14 SECTION 2. Chapter 440D, Hawaii Revised Statutes, is 15 repealed.

16 SECTION 3. There is appropriated out of the general 17 revenues of the State of Hawaii the sum of \$ , or so much 18 thereof as may be necessary for fiscal year 2007-2008, and the 19 same sum, or so much thereof as may be necessary for fiscal year 20 2008-2009, to fund the operational and administrative expenses 21 in implementing and regulating mixed martial arts contests, 22 including the provision of full time staff positions.

# **S.B. NO.** $^{1712}_{S.D. 2}$

1	The sums appropriated shall be expended by the department
2	of commerce and consumer affairs for the purposes of this Act.
3	SECTION 4. Sections 1 and 2 of this Act shall take effect
4	on July 1, 2009; provided that:
5	(1) Section -6 in section 1 of this Act shall take
6	effect upon approval; and
7	(2) Section 3 of this Act shall take effect on July 1,
8	2007.

. .

#### REPORT Title:

Mixed Martial Arts; Prohibition on No Rules Combat

#### Description:

SB1712 SD2 LRB 07-2938.doc

Gives the director of commerce and consumer affairs licensing authority over mixed martial arts contests. Prohibits no rules combat, extreme or ultimate fighting, or other similar contests. Makes an appropriation. (SD2)