

STAND. COM. REP. NO.

304

Honolulu, Hawaii

FEB 14 2007

RE: S.B. No. 1712
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and
Affordable Housing, to which was referred S.B. No. 1712 entitled:

"A BILL FOR AN ACT RELATING TO MIXED MARTIAL ARTS,"

begs leave to report as follows:

The purpose of this measure is provide for the regulation of
mixed martial arts by the Department of Commerce and Consumer
Affairs (DCCA). This measure also prohibits no rules combat,
extreme or ultimate fighting, and similar contests.

Your Committee received testimony in support of this measure
from the Professional and Vocational Licensing Division of the
DCCA and the Office of the Auditor. The Regulated Industries
Complaints Office of the DCCA provided comments on the measure.

Your Committee finds that mixed martial arts events are one
of the fastest growing sporting events in the country. In Hawaii,
the events are currently permitted under an exemption from the
prohibition against no rules combat, or extreme fighting and
without any type of regulations in place, there is the potential
for fraudulent events which is detrimental to both participants in
the sport and the general public.

During the 2006 legislative session, the Legislature passed
Senate Concurrent Resolution No. 37, Senate Draft 1, to request
the Office of the Auditor, pursuant to section 26H-6, Hawaii
Revised Statues, to evaluate proposals to regulate mixed martial
arts events. Two options were proposed to the Office of the

2007-1494 SSCR SMA.doc



Auditor for regulating mixed martial arts. The first proposal was to create a Mixed Martial Arts Commission and the second proposal was to expand the jurisdiction of the Boxing Commission to include mixed martial arts.

In February 2007, the Office of the Auditor issued its report recommending a third alternative which, in part, suggested the creation of a regulatory program to be placed directly under the Director of Commerce and Consumer Affairs.

Your Committee has amended this measure by:

- (1) Providing the DCCA with statutory authority to establish an advisory committee to assist with the implementation of the new regulations;
- (2) Requiring licensing for judges;
- (3) Requiring certain fees from promoters based upon certain percentages of their gross proceeds;
- (4) Requiring promoters to submit to a background check prior to obtaining a license;
- (5) Including language that specifies that the costs of furnishing a medical report and the results of an HIV and hepatitis test are to be borne by the promoter;
- (6) Including language that specifies that the costs of determining compliance with the ban on the use of stimulants and banned substances are to be borne by the promoter;
- (7) Excluding amateur events from the DCCA's oversight;
- (8) Providing the DCCA with the option of using the existing national mixed martial arts registry rather than creating one of its own;
- (9) Including language requiring licensees to renew their licenses on a biennial basis similar to other regulated professions and vocations and requiring updated medical records and criminal background checks prior to a contest and at the time of license renewal;



- (10) Including language to promote uniformity with rulemaking provisions from other licensing chapters;
- (11) Amending language related to the Director's power to revoke and suspend licenses in order to create uniformity with other licensing chapters;
- (12) Deleting the review and enforcement fee, as the measure already provides for a licensing fee that is earmarked for enforcement;
- (13) Defecting the effective date of the measure to promote continued discussion;
- (14) Including language that will allow for the measure to sunset three years after becoming effective; and
- (15) Making technical, nonsubstantive changes for the purposes of clarity and style.

While your Committee has made numerous amendments to this measure, the intent to regulate the sport of mixed martial arts to protect both participants in the sport and the general public remains consistent.

As this measure is passed out, your Committee asks that the Senate Committee on Ways and Means consider a mechanism to allow DDCA adequate time for rule making on this matter, while providing a specific effective date to provide persons covered by the measure certainty as to when they must comply with the new regulation requirements.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1712, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1712, S.D. 1, and be referred to the Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Affordable
Housing,


BRIAN T. TANIGUCHI, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Commerce, Consumer Protection and Affordable Housing
CPH

Bill / Resolution No.:* SB 1712	Committee Referral: CPH, WAM	Date: 2/7/2007		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
IHARA, Jr., Les				✓
SAKAMOTO, Norman				✓
SLOM, Sam		✓		
	-			
TOTAL	3	1		2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">David Y. Ige</div>				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				