STAND. COM. REP. NO. 2235

Honolulu, Hawaii

FEB 1 2 2008

S.B. No. 3030 RE:

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and Affordable Housing, to which was referred S.B. No. 3030 entitled:

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

begs leave to report as follows:

The purpose of this measure is to properly and effectively implement the regulation, licensing, and oversight of mixed martial arts contests by establishing a fee structure to fund mixed martial arts licensing program.

Specifically, this measure:

- (1) Increases the percentage imposed on gate receipts of professional mixed martial arts contests to cover the administrative costs of managing the program once regulation begins on July 1, 2009;
- (2) Allows the Department of Commerce and Consumer Affairs to impose an additional surcharge on promoters to cover projected start-up expenses for fiscal years 2007-2008 and 2008-2009; and
- (3) Clarifies that the two per cent of the gross receipts from subscription or admission fees for simultaneous telecasts of a contest or event allowed under Act 279, Session Laws of Hawaii 2007, also applies to pay-perview telecasts and is not restricted to telecasts in Hawaii.

2008-1270 SSCR SMA.doc Testimony in support of this measure was submitted by the Department of Commerce and Consumer Affairs.

The Auditor conducted a sunrise analysis regarding the regulation of mixed martial arts contests and as a result, the Legislature enacted Act 279, Session Laws of Hawaii 2007. While Act 279 outlined the licensing regulatory scheme for mixed martial arts contests, promoters, and contest participants, and set forth numerous other provisions relating to regulating mixed martial arts, it failed to provide the Department of Commerce and Consumer Affairs with general funds to support effective start-up and implementation of this complex licensing program. Your Committee finds that establishing a fee structure to fund mixed martial arts regulation will enable the Department to support and implement the mixed martial arts licensing program.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050 to ensure further discussion and input regarding the proposed fee structure by the Committee on Ways and Means; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

Your Committee believes that this measure, as amended, fulfills the intent of this measure, which is to properly and effectively implement the regulation, licensing, and oversight of mixed martial arts contests.

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. 3030, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3030, S.D. 1, and be referred to the Committee on Ways and Means.

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

RUSSELL S. KOKUBUN, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

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

Bill / Resolution No.:* Commit	Committee Referral: Date:			2
SB 3030 CP	H, WAM 2/8/08			
The committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
KOKUBUN, Russell S. (C)				
IGE, David Y. (VC)				
ESPERO, Will				
IHARA, Jr., Les				
SAKAMOTO, Norman				
TANIGUCHI, BRIAN T.				
TRIMBLE, Gordon				
TOTAL	3	1		3
Recommendation: Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes