

SENATE BILL REPORT

ESHB 2668

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, February 23, 2006

Title: An act relating to professional athletics regulated by the department of licensing.

Brief Description: Modifying provisions regulating certain professional athletic events.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Hudgins, Lovick, Crouse, Upthegrove, B. Sullivan and Sump).

Brief History: Passed House: 2/14/06, 96-1.

Committee Activity: Labor, Commerce, Research & Development: 2/21/06, 2/23/06 [DP].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Parlette, Ranking Minority Member; Honeyford and Keiser.

Staff: Alison Mendiola (786-7483)

Background: The Department of Licensing (DOL) regulates boxing, martial arts, and wrestling events. Participants and officials of these events must obtain a license in order to engage in these sports. DOL issues licenses to promoters, managers, boxers, wrestling participants, inspectors, judges, timekeepers, announcers, event physicians, chiropractors, referees, matchmakers, kickboxers, and martial arts participants. Licenses are valid for one year from date of issue. Varsity boxing, wrestling or sparring, or amateur events promoted on a not-for-profit or charitable basis are not regulated.

As a condition of receiving a license, a boxing promoter is required to obtain medical insurance in an amount set by the DOL, but not less than \$50,000, to cover any injuries incurred by participants. A boxing promoter must also file a bond in an amount determined by the DOL, but not less than \$10,000. Seventy-two hours before each event, a boxing promoter must provide proof of insurance to the DOL.

At the end of any event, a promoter must file a report with the DOL, showing the number of tickets sold, the price charged for each ticket, and the gross proceeds of ticket sales. At the time of filing, a promoter is required to pay the DOL a tax equal to 5percent of gross receipts of ticket sales. The number of complimentary tickets must be limited to 10 percent of the total tickets sold per event location not to exceed 1,000 tickets. Complimentary tickets exceeding 10 percent of the tickets sold are taxed.

A promoter who charges and receives an admission fee for exhibiting a simultaneous telecast of a live, current, or spontaneous boxing or sparring match or wrestling exhibition must also furnish the DOL with a report of the number of tickets issued or sold and the gross receipts

from the sale of tickets. A promoter must also pay the DOL a tax equal to 5 percent of the gross receipts for admission to an event.

DOL may require that an event physician be present at a wrestling event. The promoter shall pay the event physician present at a wrestling event. A boxing, kickboxing, or martial arts event may not be held unless an event physician licensed by the DOL is present throughout the event.

The event physician has the authority and the duty to stop any event when, in the event physician's opinion, it would be dangerous to a contestant to continue.

Summary of Bill: Kickboxing and martial arts promoters must also obtain medical insurance and provide proof of that insurance to the DOL 72 hours before each event.

The word "tax" is changed to "administrative fee" throughout the chapter to refer to the percentage of gross receipts that a promoter must pay to the DOL.

"Bout" is defined as a contest or match between participants appearing at an event. An event physician has the authority and duty to stop any bout, instead of the entire event, when, in the event physician's opinion, it would be dangerous to a contestant to continue.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill represents primarily technical changes that are needed. This bill passed out of the House Commerce & Labor committee with bi-partisan support. No amendment is needed regarding liability as the issues have been worked out between the interested parties.

Testimony Against: None.

Who Testified: PRO: Representative Zack Hudgins, Prime Sponsor.