1	SENATE FLOOR VERSION April 12, 2023
2	AS AMENDED
3	ENGROSSED HOUSE
4	BILL NO. 1387 By: Bashore, Luttrell, and Hilbert of the House
5	and
6	Weaver of the Senate
7	
8	
9	[ amusements and sports - Oklahoma State Athletic
10	Commission - funds - specifications - assistant - reimbursement percentage - fee - effective date ]
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13	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
14	SECTION 1. AMENDATORY 3A O.S. 2021, Section 602, is
15	amended to read as follows:
16	Section 602. A. As used in the Oklahoma State Athletic
17	Commission Act:
18	1. "Administrative support" means physical resources including
19	but not limited to office space, equipment typically found in an
20	office, and furnishings, and duties including but not limited to the
21	processing of Commission-directed expenditures in regard to payroll,
22	travel, travel reimbursement, human resources, and management of the
23	Commission's funds from appropriation or the Oklahoma State Athletic
24	Commission Revolving Fund as directed by the Commission;

1 <u>2.</u> "Administrator" means the administrator of the Oklahoma
2 State Athletic Commission;

3 2. 3. "Amateur combative sports event" means a combative sports 4 event in which the participants have never been licensed as 5 professionals in any combative sport;

3. <u>4.</u> "Amateur combative sports practitioner" means a person
who has never received or competed for any purse or other article
either for the expenses of training therefor or for participating in
any combative sports contest or exhibition which exceeds in monies
or other things of value a sum to be determined by the Oklahoma
State Athletic Commission;

12 4. <u>5.</u> "Amateur mixed martial artist" means a person eighteen 13 (18) years of age or older who has never received or competed for 14 any purse or other article either for the expenses of training 15 therefor or for participating in any combative sport contest or 16 professional exhibition which exceeds in monies or other things of 17 value a sum to be determined by the Oklahoma State Athletic 18 Commission;

19 5. 6. "Amateur mixed martial arts" means any form of 20 competitive pugilistic contest in which the participants have never 21 been licensed as professionals in any combative sport and blows are 22 delivered with any part of the hands, feet, or knees and multiple 23 combative disciplines are used including grappling. Such contests

1 take place in a rope-enclosed ring or fenced enclosed cage and are 2 fought in timed rounds;

3 6. 7. "Applicant" means any individual, club, association,
4 corporation, partnership or trust which submits to the Oklahoma
5 State Athletic Commission an application for a license or permit
6 pursuant to the Oklahoma State Athletic Commission Act;

7 7. 8. "Booking agent" means independent contractors who act as
8 bookers, agents, agencies and representatives who secure engagements
9 and contracts for combative sports participants;

10 8. 9. "Boxing" means any form of competitive pugilism or 11 unarmed combat in which a blow is usually struck which may 12 reasonably be expected to inflict injury, including, but not limited 13 to, boxing, wrestling, mixed martial arts, and kickboxing, but shall 14 not include the martial arts as defined by the provisions of this 15 section;

9. 10. "Broadcast" means any audio or visual transmission sent by any means of signal within this state, whether live or taped or time delayed, and includes any replays thereof. "Broadcast" shall not include any audio or visual transmission sent by any means of signal of any professional boxing event conducted outside this state;

22 <u>10. 11.</u> "Cable system operator" means any person who makes 23 available or provides customers a closed-circuit telecast which is

pay-per-view, including any person who does so as a direct broadcast
 satellite provider or other multichannel video service provider;

11. 12. "Closed-circuit telecast of professional combative 3 sporting events" means telecast rights, including television, cable 4 5 television, or pay-per-view telecasts, acquired by paying a licensing fee or by paying a contractual price by a business or 6 individual, including, but not limited to, arenas, entertainment or 7 meeting centers, restaurants, bars, taverns, hotels, motels, clubs, 8 9 and organizations, which offers the viewing of the event to the public or to private residences. Such events shall include local 10 and state professional combative sports contests and professional 11 exhibitions as defined in this section. "Closed-circuit telecast" 12 means any such telecast of a professional combative sporting event 13 as described herein which is not intended to be available for 14 viewing without the payment of a fee, collected for or based upon 15 each event viewed, for the privilege of viewing the telecast, and 16 includes pay-per-view; 17

18 <u>12. 13.</u> "Club" means an incorporated or unincorporated 19 association or body of individuals voluntarily united and acting 20 together for some common or special purpose;

21 <u>13. 14.</u> "Combative sports" means any form of competitive 22 pugilism or unarmed combat in which a blow is usually struck which 23 may reasonably be expected to inflict injury, including but not 24 limited to boxing, wrestling, mixed martial arts, and kickboxing,

1 but shall not include the martial arts (singular) as defined by the 2 provisions of this section;

3 <u>14.</u> <u>15.</u> "Combative sports practitioner" means a person who 4 competes or spars in a combative sports event and includes boxers, 5 kickboxers, mixed martial artists and wrestlers;

6 <u>15.</u> <u>16.</u> "Commission" means the Oklahoma State Athletic
7 Commission;

8 16. <u>17.</u> "Contest" means a combative sports event in which it is 9 reasonable to anticipate that the participants strive earnestly in 10 good faith to win;

11 <u>17. 18.</u> "Corner person" means, but shall not be limited to, a 12 trainer, a second, or any other individual who attends the 13 participant during a match;

14 <u>18. 19.</u> "Event" means a combative sports contest or exhibition 15 including but not limited to a match, bout, contest, show or 16 tournament;

17 19. 20. "Exhibition" means a combative sports event in which 18 the participants show or display their skill by sparring without 19 necessarily striving to win;

20 <u>20.</u> <u>21.</u> "Judge" means an individual other than a referee who 21 shall have a vote in determining the winner of any contest;

22 21. 22. "Kickboxing" means any form of competitive pugilistic
 23 professional contest or exhibition in which blows are delivered with

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the hand and any part of the foot. Such contests or exhibitions take place in a rope-enclosed ring and are fought in timed rounds; <u>22. 23.</u> "License" means a certificate issued by the Commission to participants of sanctioned professional combative sports contests, professional exhibitions, and amateur mixed martial arts contests and is a mandatory requirement for participation in such events;

8 23. 24. "Manager" means an individual who controls or 9 administers the affairs of any professional combative sports 10 participant, including acting as a booking agent. "Manager" shall 11 include the representative of a manager as defined by the 12 Commission;

13 24. 25. "Martial arts" means any form of karate, kung fu, tae 14 kwon-do, or any other form of martial or self-defense art;

15 <u>25.</u> <u>26.</u> "Matchmaker" means an individual who brings together 16 professional combative sports participants or arranges professional 17 combative sports contests or professional exhibitions;

18 26. 27. "Participant" means an individual who takes part in a 19 combative sports event;

20 27. 28. "Pay-per-view telecasts of professional combative
21 sports events" means telecasts offered by cable television companies
22 to subscribers at a cost in addition to the monthly cable television
23 subscription rate. Such events shall include local and state

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1 professional combative sports contests and professional exhibitions
2 as defined in this section;

3 28. 29. "Person" means any individual, partnership, limited 4 liability company, club, association, corporation, trust or other 5 entity;

6 29. 30. "Physician" means an individual licensed under the laws 7 of this state to engage in the general practice of medicine or 8 osteopathic medicine;

9 30. 31. "Professional combative sports practitioner" means an 10 individual eighteen (18) years of age or older who competes for 11 money, prizes, or purses, or who teaches, instructs, or assists in 12 the practice of combative sports or sparring as a means of obtaining 13 pecuniary gain;

14 <u>31. 32.</u> "Professional combative sports event" means a combative 15 sports event in which the participants are paid a purse;

16 32. 33. "Professional mixed martial arts" means any form of 17 competitive pugilistic contest in which the participants are paid a 18 purse and blows are delivered with any part of the hands, feet, 19 elbows, or knees and multiple combative disciplines are used to 20 include grappling. Such contests take place in a rope-enclosed ring 21 or fenced enclosed cage and are fought in timed rounds;

22 33. 34. "Promote" or "promoting" means producing, staging, 23 sponsoring, organizing or otherwise holding a combative sports event 24 whether or not the event is open to the public;

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1 34. 35. "Promoter" means any individual, whether a resident or 2 nonresident of Oklahoma, or club or corporation, whether 3 domesticated or not domesticated in Oklahoma, that produces or 4 stages professional contests, amateur mixed martial arts contests, 5 or professional exhibitions conducted within this state and shall 6 include any officer, director, or employees as defined by the 7 Commission;

8 35. 36. "Pugilism" means combative sports or the skill or
9 practice of fighting with the fists;

36. 37. "Purse" means the financial guarantee or any other 10 remuneration or thing of value for which a combative sports 11 12 practitioner participates in a professional combative sports event and shall include the participant's share of any payment received 13 for radio broadcasting, television, including cable television, pay-14 per-view television, and closed-circuit television, and motion 15 picture rights. "Purse" shall also include gate receipts and any 16 other prizes; 17

18 37. 38. "Ring official" means any individual who performs an 19 official function during the progress of a combative sports event or 20 amateur mixed martial arts event including but not limited to 21 timekeepers, judges, referees, and attending physicians;

22 38. 39. "Sanctioning permit" means a permit issued by the
23 Commission to promoters who make application for official approval

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1 of professional combative sports events and amateur mixed martial
2 arts events;

39. 40. "Sparring" means to engage in a form of combative sport 3 with jabbing or feinting movements, and the exchange of few heavy 4 5 blows, such as occurs in a practice or exhibition boxing match; 40. 41. "Telecast promoter" means any promoter who shows or 6 causes to be shown in this state a closed-circuit telecast of any 7 professional combative sports event conducted in this state. 8 9 "Telecast promoter" shall not include a cable system operator; 41. 42. "Trainer" means an individual who assists, coaches, or 10 11 instructs any professional combative sports practitioner or amateur 12 mixed martial artist with respect to physical conditioning, strategy, techniques, or preparation for competition, professional 13 combative sports contests, or professional exhibitions; and 14 42. 43. "Vendor" means any individual, firm, organization, 15 club, or corporation that participates in the conduct of a 16 professional combative sports event or amateur mixed martial arts 17 event conducted in this state by offering for sale food or 18 merchandise, including, but not limited to, wearing apparel, 19 alcoholic and nonalcoholic beverages, souvenirs, and programs. 20

B. The Commission may define any term which is not defined inthe Oklahoma State Athletic Commission Act.

23 SECTION 2. AMENDATORY 3A O.S. 2021, Section 604.3, is 24 amended to read as follows:

Section 604.3 A. The Oklahoma State Athletic Commission, its administrator or any other employee authorized by the Commission may order the promoter to withhold any part of a purse or other money belonging or payable to any combative sports practitioner or second if, in the judgment of the Commission, administrator or employee:

The practitioner is not competing honestly or to the best of
 the practitioner's skill and ability, or the practitioner otherwise
 violates any rules or regulations adopted by the Commission or any
 provisions of the Oklahoma Athletic Commission Act; and

The second violates any rules or regulations adopted by the
 Commission or any provisions of the Oklahoma Athletic Commission
 Act.

B. Money ordered withheld pursuant to this section shall be 13 deposited in the Oklahoma State Athletic Commission Revolving Fund 14 Security Account. The Commission shall hold a hearing at its next 15 regularly scheduled meeting to dispose of the matter. If it is 16 determined that the practitioner or second is entitled to his or her 17 share of the purse or other money, the funds shall be moved to the 18 Oklahoma State Athletic Commission Revolving Fund and disbursed to 19 the practitioner or second. If it is determined that the 20 practitioner or second is not entitled to his or her share of the 21 purse or other money, the funds shall be moved to the Oklahoma State 22 Athletic Commission Revolving Fund and disbursed to the promoter. 23

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SECTION 3. AMENDATORY 3A O.S. 2021, Section 605, is
 amended to read as follows:

3 Section 605. A. The Oklahoma State Athletic Commission may 4 employ an administrator to oversee the organization and activities 5 of the Commission and to ensure compliance with rules promulgated by 6 the Commission. The administrator shall perform such other duties 7 as the Commission may prescribe. The salary of the administrator 8 shall be set by the Commission. The position of administrator shall 9 be an unclassified position.

The Commission may employ an assistant to keep records of 10 Β. all proceedings relating to professional combative sports, amateur 11 12 kickboxing, and amateur mixed martial arts and to preserve all books, documents, and papers belonging to the Commission. 13 The assistant shall perform such other duties as the Commission may 14 The salary of the assistant shall be set by the 15 prescribe. Commission. The position of the assistant shall be an unclassified 16 position. The Commission may employ such other personnel as 17 necessary, subject to statutory full-time-equivalent (FTE) limits 18 applicable to the State Department of Health. 19

C. The State Department of Health shall provide administrative support for the Commission, including, but not limited to, office space, equipment, and furnishings, payroll and employee benefit administration and processing, and travel and expense reimbursement, and shall manage the Commission's funds at the direction of the

1 Commission. The State Department of Health shall be entitled to 2 reimbursement for the actual cost of providing said administrative support to the Commission from the Oklahoma State Athletic 3 Commission Revolving Fund; provided that said reimbursement shall 4 5 not exceed in any year ten five percent (10%) (5%) of the total revenue deposited in the fund in the preceding fiscal year received 6 from fees, administrative fines, reimbursements, bond proceeds and 7 sale of materials, but not including cash bonds held in trust by the 8 9 Commission. Upon a written directive of expenditure from Commission 10 funds signed by a majority of the Commission members or the Commission administrator, the State Department of Health shall 11 12 process and make payment for said expenditure from Commission funds within fifteen (15) business days of receipt of the written 13 directive from the Oklahoma State Department of Health Athletic 14 Commission. All other Commission-directed Commission-incurred 15 expenditures shall be processed according to State Department of 16 Health policy. 17

D. Employees of the Commission shall be considered unclassified employees of the State Department of Health only for the purpose of administrative support provided by the State Department of Health as prescribed in subsection C of this section. Persons employed by the Commission shall serve at the direction and pleasure of the Commission and shall answer directly to the Commission administrator and the Commission.

E. The administrator, the assistant, and any other employees of the Commission or any persons related to said employees within the third degree by either consanguinity or affinity shall be prohibited from promoting, sponsoring, or having any pecuniary interest in any professional combative sports event, amateur kickboxing event, or amateur mixed martial arts event regulated by the Commission with the exception of medical personnel.

8 SECTION 4. AMENDATORY 3A O.S. 2021, Section 617, is 9 amended to read as follows:

10 Section 617. A. Except as otherwise provided in the Oklahoma State Athletic Commission Act, in addition to the payment of any 11 12 other fees and monies due pursuant to the Oklahoma State Athletic Commission Act and the rules promulgated by the Oklahoma State 13 Athletic Commission, an assessment equal to five percent (5%) of the 14 total gross receipts of any professional combative sports event, 15 amateur mixed martial arts event or amateur kickboxing event 16 conducted in this state, exclusive of any federal tax or tax imposed 17 by any political subdivision of this state, shall be hereby levied 18 and shall be remitted by every promoter and vendor to the Oklahoma 19 State Athletic Commission. 20

B. The assessment established in subsection A of this section
shall not exceed Thirty-five Thousand Dollars (\$35,000.00).

C. Promoters of professional boxing events, professional mixed
 martial arts events, amateur mixed martial arts events and amateur

kickboxing events shall pay the greater of the five-percent
 assessment levied pursuant to subsection A of this section or Four
 Hundred Fifty Dollars (\$450.00) to the Commission.

D. Promoters of professional wrestling events shall pay the
greater of the five-percent assessment levied pursuant to subsection
A of this section or Eighty Dollars (\$80.00) to the Commission.

7 E. For the purpose of this section, total gross receipts of
8 every promoter shall include:

9 1. The face value of all tickets sold; and

Proceeds from a vendor, or the promoter's gross price
 charged for the sale of food, alcoholic and nonalcoholic beverages,
 or merchandise, including, but not limited to, wearing apparel,
 souvenirs and programs.

F. For professional combative sports events, amateur mixed martial arts events <del>or</del>, and amateur kickboxing events at which admission tickets are not sold <u>by the promoter</u>, the promoter shall remit an assessment equal to five percent (5%) of the revenues received by the promoter for the event, <u>historically known as a site</u> fee.

G. For the purpose of this section, total gross receipts of every vendor shall include the gross price charged for the sale of food, alcoholic and nonalcoholic beverages, and merchandise including, but not limited to, wearing apparel, souvenirs, and programs, excluding that portion paid to any promoter.

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H. Payment of the assessment on gross receipts, unless
otherwise specified, shall be due within five (5) business days
after the holding of the professional combative sports event,
amateur mixed martial arts event or amateur kickboxing event and
shall be accompanied by a report in such form as shall be prescribed
by the Oklahoma State Athletic Commission.

I. A promoter shall not issue complimentary tickets for more 7 than ten percent (10%) of the seats for any event. The promoter 8 9 shall be responsible to pay the five-percent assessment levied pursuant to subsection A of this section on total receipts as 10 prescribed in this section for any complimentary tickets in excess 11 12 of ten percent (10%). All complimentary tickets must clearly indicate on the ticket that it is a complimentary ticket and state 13 the value of the complimentary ticket. The face value of a 14 complimentary ticket shall be equal to like tickets sold in that 15 particular section of the venue. The complimentary tickets that are 16 exempt from the five-percent assessment levied pursuant to 17 subsection A of this section shall be those tickets with the lowest 18 face value. 19

J. Complimentary tickets shall not be given to a sponsor, elected official, person or any entity that gives the promoter of any event anything of value, including but not limited to money, inkind goods or services, or advertising.

K. The first payment of the assessment on gross income received from the sale of motion picture rights shall be due at the end of the month after the date of the sale of the motion picture rights, and further payments shall be due every thirty (30) days thereafter, during the presentation of the picture, and shall be accompanied by a gross receipts report in such form as shall be prescribed by the Oklahoma State Athletic Commission.

L. Except as otherwise provided in the Oklahoma State Athletic 8 9 Commission Act, in addition to the payment of any other fees and 10 monies due pursuant to the Oklahoma State Athletic Commission Act 11 and the rules promulgated by the Oklahoma State Athletic Commission, 12 an assessment in an amount of five percent (5%) of the total gross receipts of every telecast promoter shall be levied. Total gross 13 receipts shall include the gross price charged for the sale, lease, 14 or other use of broadcasting, including, but not limited to, radio, 15 television, including cable television, pay-per-view television, and 16 closed-circuit television, or motion picture rights of combative 17 sports or amateur mixed martial arts contests, events, or 18 exhibitions conducted within this state, without any deductions for 19 commissions, brokerage fees, distribution fees, advertising, or 20 other expenses or charges. 21

M. 1. In the case of facilities at or through which the closed-circuit telecast is shown other than a cable system operator's pay-per-view facilities, the telecast promoter shall,

within eight (8) days after the telecast, inclusive of mailing time,
file with the Commission a written report detailing the name,
address, telephone number, contact person's name, and the details of
the payment arrangement for the right to receive the telecast for
each facility to which the broadcast was transmitted.

2. The report shall be accompanied by the assessment payment
required under subsection L of this section, excluding any federal,
8 state or local taxes.

9 3. The Commission may require the owner or operator of the 10 facility where the telecast is being shown to file a report 11 containing information regarding the amount paid to the telecast 12 promoter for the right to broadcast the telecast, the quality of the 13 audio and video signal, and any other information the Commission 14 deems appropriate.

N. 1. In the case of a cable system operator's pay-per-view facilities at or through which a closed-circuit telecast was shown within the state, the telecast promoter shall, within thirty (30) days following receipt of the notice of the assessment from the Commission, cause to be filed with the Commission the assessment required pursuant to subsection L of this section, excluding any federal, state, or local taxes.

22 2. The cable system operator shall withhold from the proceeds
23 due to the telecast promoter the assessment payment required
24 pursuant to subsection L of this section and remit the assessment to

the Commission on behalf of the telecast promoter. The cable system operator shall not be liable for the remittance of the assessment fee required pursuant to subsection L of this section from any proceeds due to the cable system operator from its pay-per-view events.

3. The Commission shall require the cable system operator to
file reports containing information regarding the number of orders
sold and the price charged for orders and any other information the
Commission deems appropriate.

Cable system operators shall not be liable to the Commission
 for the assessment payment required under subsection L of this
 section. Nothing in this section shall be deemed to prevent a cable
 system operator from billing its customer for the assessment
 payment.

15 5. The Commission shall, upon request, provide the telecast 16 promoter with a report detailing the number of orders and the 17 assessment payment due.

0. Any promoter who willfully makes a false and fraudulent
report under this section is guilty of perjury and, upon conviction,
is subject to punishment as provided by law. This penalty shall be
in addition to any other penalties imposed in this section.

P. Gross receipts reports signed under oath shall also include:1. The name of the promoter;

2. The professional combative sports event, amateur mixed
 martial arts event or amateur kickboxing event sanctioning permit
 number;

3. The promoter's business address and any license or permit
number required of such promoter by law;

6 4. Gross receipts as specified by this section, during the7 period specified by this section; and

8 5. Such further information as the Oklahoma State Athletic
9 Commission may require to enable it to compute correctly and collect
10 the assessment levied pursuant to this section.

Q. In addition to the information required on reports, the Oklahoma State Athletic Commission may request, and the promoter shall furnish, any information deemed necessary for a correct computation of the assessment levied pursuant to this section.

R. All levies pursuant to this section shall be collected by
the Commission and shall be placed to the credit of the Oklahoma
State Athletic Commission Revolving Fund.

S. The monies collected from the assessment levied pursuant to the provisions of this section shall be in addition to all other revenues and funds received by the Oklahoma State Athletic Commission.

T. The promoter shall compute and pay to the Oklahoma State Athletic Commission the required assessment due. If the payment of the assessment is not postmarked or delivered to the Oklahoma State

Athletic Commission as specified in subsections H through L of this
 section, whichever is appropriate, the assessment shall be
 delinquent from such date.

U. It shall be the duty of every promoter required to make a 4 5 gross receipts report and pay any assessment pursuant to the provisions of this section to keep and preserve suitable records and 6 documents which may be necessary to determine the amount of 7 assessment due as will substantiate and prove the accuracy of such 8 9 reports. All such records shall be preserved for a period of three (3) years, unless the Oklahoma State Athletic Commission, in 10 writing, has authorized their destruction or disposal at an earlier 11 12 date, and shall be open to examination at any time by the Oklahoma 13 State Athletic Commission or by any of its authorized employees. SECTION 5. This act shall become effective November 1, 2023. 14 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS 15 April 12, 2023 - DO PASS AS AMENDED 16 17 18 19 20 21 22 23 24