ENGROSSED HOUSE
BILL NO. 1774

By: Hastings of the House

and

Lerblance of the Senate

An Act relating to amusements and sports; amending 3A O.S. 2001, Sections 605, as amended by Section 1, Chapter 184, O.S.L. 2004, 616 and 617, as last amended by Section 2, Chapter 184, O.S.L. 2004 (3A O.S. Supp. 2004, Sections 605 and 617), which relate to the Oklahoma Professional Boxing Licensing Act; modifying method of establishing the salary of the administrator; modifying amount of money that can be retained in the Professional Boxing Licensing Revolving Fund; requiring remittance of certain assessment; transferring responsibility for fee collection; repealing 3A O.S. 2001, Section 621, which relates to closed-circuit telecast permits; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 3A O.S. 2001, Section 605, as amended by Section 1, Chapter 184, O.S.L. 2004 (3A O.S. Supp. 2004, Section 605), is amended to read as follows:

Section 605. A. The Oklahoma Professional Boxing Commission may employ an administrator of professional boxing licensing to oversee the organization and activities of the Commission and to ensure compliance with rules promulgated by the Commission on matters relating to professional boxing. The administrator shall perform such other duties as the Commission may prescribe. The salary of the administrator shall be set by ~~law~~ <u>the Commission</u>. The position of administrator of professional boxing licensing shall be an unclassified position.

B. The Commission may employ an assistant to keep records of all proceedings relating to professional boxing and to preserve all books, documents, and papers belonging to the Commission. The

assistant shall perform such other duties as the Commission may prescribe. The Commission may employ such other personnel as necessary, subject to statutory full-time-equivalent (FTE) limits applicable to the State Department of Health.

C. The State Department of Health shall provide administrative support, including, but not limited to, office space, equipment, and furnishings, for the Commission and shall manage the Commission's funds at the direction of the Commission. The State Department of Health shall be entitled to reimbursement for the actual cost of providing said administrative support to the Commission from the Professional Boxing Licensing Revolving Fund; provided that said reimbursement shall not exceed in any year ten percent (10%) of the total revenue deposited in the fund in the preceding fiscal year received from fees, administrative fines, reimbursements, bond proceeds and sale of materials, but not including cash bonds held in trust by the Commission. Persons employed by the Commission shall serve at the direction and pleasure of the Commission but shall, in all other matters relating to employment, be unclassified employees of the State Department of Health.

D. 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 boxing contest or professional exhibition regulated by the Commission with the exception of medical personnel.

SECTION 2. AMENDATORY 3A O.S. 2001, Section 616, is amended to read as follows:

Section 616. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Professional Boxing Commission to be designated the "Professional Boxing Licensing Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received from fees,

administrative fines, reimbursements, bond proceeds, and sale of materials, and shall include grants and gifts, pursuant to the Oklahoma Professional Boxing Licensing Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health as directed by the Commission for the purpose of implementing the provisions of the Oklahoma Professional Boxing Licensing Act; provided, ~~any monies accruing to the credit of said fund~~ revenue in excess of ~~Two Hundred Thousand Dollars ($200,000.00)~~ Three Hundred Thousand Dollars ($300,000.00) during any fiscal year shall be deposited to the credit of the General Revenue Fund of the State Treasury. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

B. The "Oklahoma Professional Boxing Licensing Revolving Fund" created for the Department of Labor is hereby abolished. On July 1, 1999, any unencumbered funds remaining in the Oklahoma Professional Boxing Licensing Revolving Fund shall be transferred to the credit of the Professional Boxing Licensing Revolving Fund. Any unexpended funds remaining in the Oklahoma Professional Boxing Revolving Fund after November 1, 1999, shall be transferred to the credit of the Professional Boxing Licensing Revolving Fund.

SECTION 3. AMENDATORY 3A O.S. 2001, Section 617, as last amended by Section 2, Chapter 184, O.S.L. 2004 (3A O.S. Supp. 2004, Section 617), is amended to read as follows:

Section 617. A. ~~In~~ Except as otherwise provided in the Oklahoma Professional Boxing Licensing Act, in addition to the payment of any other fees and monies due pursuant to the Oklahoma Professional Boxing Licensing Act and the rules promulgated by the Oklahoma Professional Boxing Commission, an assessment as provided herein in an amount not to exceed five percent (5%) of the total gross receipts of any professional boxing contest or professional

exhibition, exclusive of any federal tax or tax imposed by any political subdivision of this state, shall be hereby levied and shall be remitted by every promoter and vendor to the Oklahoma Professional Boxing Commission; provided, however, if the promotion originates in Oklahoma, the promoter and vendor shall only be liable for assessments on the total gross receipts specified in subsections C ~~and~~, D and E of this section and shall not also be liable for the assessments specified in Section 622 of this title.

B. The assessment established in subsection A of this section shall be calculated as follows:

1. Five percent (5%) for an event for which the total gross receipts do not exceed One Hundred Thousand Dollars ($100,000.00);

2. Four percent (4%) for an event for which the total gross receipts are between One Hundred Thousand One Dollars ($100,001.00) and Two Hundred Thousand Dollars ($200,000.00);

3. Three percent (3%) for an event for which the total gross receipts are between Two Hundred Thousand One Dollars ($200,001.00) and Three Hundred Fifty Thousand Dollars ($350,000.00);

4. Two percent (2%) for an event for which the total gross receipts are between Three Hundred Fifty Thousand One Dollars ($350,001.00) and Five Hundred Thousand Dollars ($500,000.00); and

5. One and one-half percent (1.5%) for an event for which the total gross receipts are more than Five Hundred Thousand One Dollars ($500,001.00).

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

1. The gross price charged by the promoter for the sale, lease, or other use of broadcasting, including, but not limited to, radio, television, including cable television, pay-per-view television, and closed-circuit television, or motion picture rights of boxing contests, events, or exhibitions conducted within this state,

without any deductions for commissions, brokerage fees, distribution fees, advertising, or other expenses or charges;

2. The face value of all tickets sold; and

3. 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.

D. For professional boxing contests or professional exhibitions at which admission tickets are not sold, the promoter shall remit an assessment equal to five percent (5%) of the revenues received by the promoter for the event.

E. 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.

~~E.~~ F. Payment of the assessment on gross receipts, excepting for motion picture rights, shall be due within seventy-two (72) hours after the holding of the professional boxing contest or professional exhibition and shall be accompanied by a report in such form as shall be prescribed by the Oklahoma Professional Boxing Commission.

~~F.~~ G. 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 Professional Boxing Commission.

~~G.~~ H. Gross receipts reports signed under oath shall also include:

1. The name of the promoter;

2. The boxing contest or professional exhibition sanctioning permit number;

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

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

5. Such further information as the Oklahoma Professional Boxing Commission may require to enable it to compute correctly and collect the assessment levied pursuant to this section.

~~H.~~ I. In addition to the information required on reports, the Oklahoma Professional Boxing Commission may request, and the promoter shall furnish, any information deemed necessary for a correct computation of the assessment levied pursuant to this section.

~~I.~~ J. All levies pursuant to this section shall be collected by the ~~State Department of Health~~ Commission and shall be placed to the credit of the Professional Boxing Licensing Revolving Fund.

~~J.~~ K. 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 Professional Boxing Commission.

~~K.~~ L. The promoter shall compute and pay to the Oklahoma Professional Boxing Commission the required assessment due. If the payment of the assessment is not postmarked or delivered to the Oklahoma Professional Boxing Commission as specified in subsection ~~E~~ F or ~~F~~ G of this section, whichever is appropriate, the assessment shall be delinquent from such date.

~~L.~~ M. It shall be the duty of every promoter required to make a gross receipts report and pay any assessment pursuant to the provisions of this section to keep and preserve suitable records and documents which may be necessary to determine the amount of assessment due as will substantiate and prove the accuracy of such

reports. All such records shall be preserved for a period of three (3) years, unless the Oklahoma Professional Boxing Commission, in writing, has authorized their destruction or disposal at an earlier date, and shall be open to examination at any time by the Oklahoma Professional Boxing Commission or by any of its authorized employees.

SECTION 4. REPEALER 3A O.S. 2001, Section 621, is hereby repealed.

SECTION 5. This act shall become effective November 1, 2005.

Passed the House of Representatives the 7th day of March, 2005.

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Presiding Officer of the House of Representatives

Passed the Senate the ____ day of _____, 2005.

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Presiding Officer of the Senate