1	SENATE FLOOR VERSION March 31, 2021
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3	ENGROSSED HOUSE BILL NO. 1783 By: Luttrell and Bashore of the
4	House
5	and
6	Weaver of the Senate
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9	An Act relating to amusements and sports; amending 3A O.S. 2011, Sections 604.2, as last amended by Section
10	2, Chapter 290, O.S.L. 2013, 606, as amended by Section 6, Chapter 359, O.S.L. 2012, 607, as amended
11	by Section 7, Chapter 359, O.S.L. 2012, 609, as amended by Section 8, Chapter 359, O.S.L. 2012, 612, 612,
12	as amended by Section 11, Chapter 359, 0.5.L. 2012, 617, as last amended by Section 5, Chapter 290,
13	O.S.L. 2013 and 619, as amended by Section 16, Chapter 359, O.S.L. 2012 (3A O.S. Supp. 2020,
14	Sections 604.2, 606, 607, 609, 612, 617 and 619), which relate to the Oklahoma State Athletic
15	Commission Act; authorizing the Oklahoma State Athletic Commission to assume jurisdiction over
16	amateur kickboxing; authorizing issuance of permits for amateur kickboxing events; requiring certain
17	amateur kickboxing participation be sanctioned by the
18	Commission; modifying entity authorized to sanction promotion of certain events; exempting certain
19	sponsors from the Oklahoma State Athletic Commission Act; authorizing promulgation of certain rules;
20	requiring certain applications; modifying sanction notice requirement; imposing certain fees; requiring
21	certain security; requiring certain assessment; requiring receipts contain certain information;
22	requiring annual report; and providing an effective date.
23	

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

2 SECTION 1. AMENDATORY 3A O.S. 2011, Section 604.2, as
3 last amended by Section 2, Chapter 290, O.S.L. 2013 (3A O.S. Supp.
4 2020, Section 604.2), is amended to read as follows:

5 Section 604.2. A. The mission of the Oklahoma State Athletic 6 Commission shall be to preserve and protect the health, safety and 7 welfare of combative sports event participants and the general 8 public through the effective regulation of combative sports in the 9 State of Oklahoma, while fostering an environment that expands 10 existing combative sports events and brings new events into the 11 state.

12 B. The Commission shall have the power to:

Promulgate rules and issue orders necessary to carry out the
 purposes of the Oklahoma State Athletic Commission Act, and enforce
 the provisions of said act and the rules promulgated pursuant
 thereto;

Assume jurisdiction over all matters relating to the
 licensing of professional combative sports practitioners, amateur
 mixed martial artists, <u>amateur kickboxers</u>, corner persons, booking
 agents, matchmakers, promoters, referees, judges, timekeepers,
 vendors, physicians, announcers, clubs, and corporations associated
 with a professional combative sports event, <u>amateur kickboxing event</u>
 or amateur mixed martial arts event related thereto;

3. Set license and permit fees pursuant to the requirements of
 the Oklahoma State Athletic Commission Act;

3 4. Conduct investigations into the qualifications of applicants4 for licensure and registration;

5 5. Conduct investigations and proceedings for alleged
6 violations of the Oklahoma State Athletic Commission Act and order
7 or subpoena the attendance of witnesses, the inspection of records
8 and premises, and the production of relevant books and papers
9 necessary to such investigations and proceedings;

Develop and administer examinations for applicants for
 licenses and permits; and

12 7. Make such expenditures as may be necessary in the13 performance of its duties.

C. Any rule promulgated, order made, or action taken prior to July 1, 1999, by the Commissioner of Labor or the Department of Labor pursuant to the provisions of, or rules issued pursuant to, the Oklahoma State Athletic Commission Act shall be considered valid and in effect unless amended, repealed, or rescinded by the Commission.

D. Any valid license, permit, certificate, or registration issued prior to July 1, 1999, by the Commissioner of Labor pursuant to the Oklahoma State Athletic Commission Act, or rules promulgated pursuant thereto, shall remain valid and in effect until it expires pursuant to law or unless suspended or revoked by the Commission.

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Any application for a license, permit, certificate, or registration
 which is pending on June 30, 1999, is hereby transferred to the
 Commission.

E. All personnel, powers, duties, responsibilities, fund
balances, encumbrances, obligations, and property, which shall
include records, furniture, and equipment of the Department of Labor
relating to the regulation of combative sports, are hereby
transferred to the Oklahoma State Athletic Commission.

9 SECTION 2. AMENDATORY 3A O.S. 2011, Section 606, as
10 amended by Section 6, Chapter 359, O.S.L. 2012 (3A O.S. Supp. 2020,
11 Section 606), is amended to read as follows:

Section 606. A. The Oklahoma State Athletic Commission is hereby vested with jurisdiction to issue sanctioning permits for all professional combative sports contests and exhibitions and, for all amateur mixed martial arts contests and exhibitions <u>and all amateur</u> <u>kickboxing contests and exhibitions</u> held or given within this state and to issue licenses for participants of sanctioned contests and exhibitions.

B. 1. No person shall promote, nor shall any person
participate in, a professional combative sports event or an amateur
mixed martial arts event <u>or an amateur kickboxing event</u> unless the
event is sanctioned by the Commission.

23 2. Except as provided in paragraphs 1 and 2 of subsection C of24 this section, no person shall promote an amateur combative sports

event unless the event has been sanctioned by a nationally
 recognized amateur sanctioning body that has been approved by the
 Commission.

Any person violating the provisions of this subsection shall
be punishable pursuant to the provisions of Section 615 of this
title.

C. Specifically exempt from the provisions of the Oklahoma
State Athletic Commission Act are the amateur combative sports
contests or exhibitions conducted or sponsored by:

Any school, college, or university where the participants
 are students regularly enrolled in such institutions and the
 instructors, coaches, and trainers are employees of such
 institutions. The term "school, college, or university" shall not
 include a school or other institution whose principal purpose is to
 furnish instruction in combative sports or sparring;

Any military installation or branch of the Armed Forces
 where the participants are employed by the military installation or
 are members of the branch of the Armed Forces sponsoring the contest
 or exhibition; and

3. Amateur combative sports events which are sanctioned by a
 Commission-approved and nationally recognized amateur sanctioning
 body. The nationally recognized amateur sanctioning body must
 present itself to the Commission and provide a copy of its rules and
 bylaws for Commission review and approval. Upon approval, the

1	Commission, or its designated representatives, may visit, attend,
2	investigate and audit, as the Commission deems necessary, any match,
3	event, sanctioning body office or event office for the purpose of
4	determining whether the rules and bylaws of the amateur sanctioning
5	body as submitted to the Commission are being followed. The
6	Commission administrator shall immediately rescind approval of any
7	nationally recognized amateur sanctioning body, pending a hearing,
8	if said sanctioning body is found to be negligent or noncommittal in
9	the enforcement of the rules and bylaws presented to and approved by
10	the Commission USA Boxing; and
11	4. The International Olympic Committee.
12	D. The following persons are specifically exempt from the
13	provisions of the Oklahoma State Athletic Commission Act:
14	1. Practitioners and instructors of the martial arts as defined
15	in Section 602 of this title; and
16	2. Instructors of amateur combative sports practitioners if
17	such instructors are not required to be licensed pursuant to other
18	provisions of the Oklahoma State Athletic Commission Act.
19	SECTION 3. AMENDATORY 3A O.S. 2011, Section 607, as
20	amended by Section 7, Chapter 359, O.S.L. 2012 (3A O.S. Supp. 2020,
21	Section 607), is amended to read as follows:
22	Section 607. A. The Oklahoma State Athletic Commission shall
23	promulgate rules necessary to implement processes for issuing
24	sanctioning permits for professional combative sports events and,

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amateur mixed martial arts events <u>and amateur kickboxing events</u> held or given in this state and for issuing licenses for participants of sanctioned contests and exhibitions, except those events and persons specifically exempt by the provisions of the Oklahoma State Athletic Commission Act.

B. All persons or entities who participate in any professional 6 combative sports event or, amateur mixed martial arts event or 7 amateur kickboxing event sanctioned by the Commission, including, 8 9 but not limited to, professional combative sports practitioners, corner persons, booking agents, matchmakers, promoters, referees, 10 11 judges, timekeepers, vendors, physicians, announcers, clubs, and 12 corporations associated with a professional combative sports event or amateur mixed martial arts event sanctioned by the Commission, 13 shall be required to make application to the Commission for a 14 15 license to participate in this state in any professional combative sports event or, amateur mixed martial arts event or amateur 16 kickboxing event sanctioned by the Commission. 17

C. An application for a sanctioning permit or a license shall be on such form and require such information as shall be prescribed by the Commission.

D. The Commission shall determine reasonable costs and fees associated with issuing sanctioning permits and licenses. All costs and fees for sanctioning an event shall be payable by the promoter making application for a sanctioning permit. Costs and fees for a

license may be paid by the participant making application or by the
 promoter of an event sanctioned by the Commission.

E. A sanctioning permit shall be in effect upon the date issued by the Commission and shall expire upon the conclusion of the event, unless the sanctioning permit is suspended or revoked for just cause by the Commission. Licenses shall be in effect upon the date issued by the Commission, and all licenses shall expire June 30 unless the license is suspended or revoked for just cause by the Commission.

9 F. Only promoters whose professional combative sports events or, amateur mixed martial arts events and amateur kickboxing events 10 11 that have been sanctioned by the Commission are authorized to place 12 a notice of sanction on printed and promotional materials associated with the sanctioned event, which shall include but not be limited to 13 advertising, tickets, programs, posters, souvenirs, wearing apparel, 14 15 billboards, marguees and promotional signs inside and outside the venue where the event is to be held, and broadcasting, including, 16 but not limited to, radio, television, including cable television, 17 pay-per-view television, and closed-circuit television and motion 18 pictures of the event. The notice of sanction shall substantially 19 state the following: 20

"Pursuant to the provisions of Section 601 et seq. of Title
3A of the Oklahoma Statutes and the rules of the Oklahoma
State Athletic Commission, THIS EVENT IS SANCTIONED BY THE

OKLAHOMA STATE ATHLETIC COMMISSION. Sanctioning Permit No.

3 G. All fees and other monies resulting from sanctioning professional combative sports events and, amateur mixed martial arts 4 5 events and amateur kickboxing events and licenses shall be placed to the credit of the Oklahoma State Athletic Commission Revolving Fund. 6 3A O.S. 2011, Section 609, as 7 SECTION 4. AMENDATORY amended by Section 8, Chapter 359, O.S.L. 2012 (3A O.S. Supp. 2020, 8 9 Section 609), is amended to read as follows:

Section 609. A. A sanctioning permit issued by the Oklahoma State Athletic Commission shall be required in order to conduct, sponsor, hold, or participate in professional combative sports events or, amateur mixed martial arts events <u>or amateur kickboxing</u> events.

B. No sanctioning permit shall be issued for conducting or holding any professional combative sports event or, amateur mixed martial arts event <u>or amateur kickboxing event</u> within any political subdivision of this state where a local ordinance or resolution prohibits such contests or exhibitions within the limits of the political subdivision.

21 SECTION 5. AMENDATORY 3A O.S. 2011, Section 612, as 22 amended by Section 11, Chapter 359, O.S.L. 2012 (3A O.S. Supp. 2020, 23 Section 612), is amended to read as follows:

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1 Section 612. A. Before any sanctioning permit is issued to any 2 promoter to conduct or hold a professional combative sports event 3 or, amateur mixed martial arts event or amateur kickboxing event, the applicant shall file with the Oklahoma State Athletic Commission 4 5 a security in the form of a bond, cash, certificate of deposit, or other securities acceptable to the Commission, payable to the State 6 of Oklahoma in an amount determined by the Commission, executed by 7 the applicant and a surety company or companies authorized to do 8 9 business in this state, and conditioned upon the faithful 10 performance by the promoter, which shall include, but not be limited to, the cancellation of a professional combative sports event or, 11 12 amateur mixed martial arts event or amateur kickboxing event without good cause as determined by the Commission once the event has been 13 approved by the Commission. 14

The security required under this section shall guarantee the 15 Β. payment of all taxes, fees, fines and other monies due and payable 16 pursuant to the provisions of the Oklahoma State Athletic Commission 17 Act and the rules promulgated by the Commission, including, but not 18 limited to, the payment of purses to the competitors, any 19 contributions for required insurance, pensions, disability and 20 medical examinations, the repayment to ticket holders of purchased 21 tickets, the payment of fees to ring officials and physicians, and, 22 in the event of the cancellation of a professional combative sports 23 event or, amateur mixed martial arts event or amateur kickboxing 24

1 <u>event</u> approved by the Commission without good cause, an amount 2 determined by the Commission.

3 C. After issuance of a sanctioning permit to a promoter, the Commission may modify the amount of security required to ensure 4 5 adequate and sufficient coverage for payments of taxes, fees, fines, purses, and other monies due and payable pursuant to the provisions 6 7 of this section. Failure of any promoter to obtain the modified security required pursuant to this subsection within such period of 8 9 time as the Commission may prescribe, shall be grounds for 10 revocation of the sanctioning permit of such promoter.

D. All proceeds of securities collected pursuant to the
provisions of this section shall be placed to the credit of the
Oklahoma State Athletic Commission Revolving Fund.

14 SECTION 6. AMENDATORY 3A O.S. 2011, Section 617, as last 15 amended by Section 5, Chapter 290, O.S.L. 2013 (3A O.S. Supp. 2020, 16 Section 617), is amended to read as follows:

Section 617. A. Except as otherwise provided in the Oklahoma 17 State Athletic Commission Act, in addition to the payment of any 18 other fees and monies due pursuant to the Oklahoma State Athletic 19 Commission Act and the rules promulgated by the Oklahoma State 20 Athletic Commission, an assessment equal to five percent (5%) of the 21 total gross receipts of any professional combative sports event or, 22 amateur mixed martial arts event or amateur kickboxing event 23 conducted in this state, exclusive of any federal tax or tax imposed 24

by any political subdivision of this state, shall be hereby levied
 and shall be remitted by every promoter and vendor to the Oklahoma
 State Athletic Commission.

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 <u>events</u>, professional mixed
martial arts and <u>events</u>, amateur mixed martial arts events <u>and</u>
<u>amateur kickboxing events</u> 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.

14 E. For the purpose of this section, total gross receipts of 15 every promoter shall include:

16 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 or, amateur mixed martial arts events <u>or amateur kickboxing events</u> at which admission tickets are not sold, the promoter shall remit an assessment equal

1 to five percent (5%) of the revenues received by the promoter for 2 the event.

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.

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 or,
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 14 15 than ten percent (10%) of the seats for any event. The promoter 16 shall be responsible to pay the five-percent assessment levied pursuant to subsection A of this section on total receipts as 17 prescribed in this section for any complimentary tickets in excess 18 of ten percent (10%). All complimentary tickets must clearly 19 indicate on the ticket that it is a complimentary ticket and state 20 the value of the complimentary ticket. The face value of a 21 complimentary ticket shall be equal to like tickets sold in that 22 particular section of the venue. The complimentary tickets that are 23 exempt from the five-percent assessment levied pursuant to 24

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subsection A of this section shall be those tickets with the lowest
 face value.

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.

7 K. The first payment of the assessment on gross income received 8 from the sale of motion picture rights shall be due at the end of 9 the month after the date of the sale of the motion picture rights, 10 and further payments shall be due every thirty (30) days thereafter, 11 during the presentation of the picture, and shall be accompanied by 12 a gross receipts report in such form as shall be prescribed by the 13 Oklahoma State Athletic Commission.

Except as otherwise provided in the Oklahoma State Athletic 14 L. 15 Commission Act, in addition to the payment of any other fees and monies due pursuant to the Oklahoma State Athletic Commission Act 16 and the rules promulgated by the Oklahoma State Athletic Commission, 17 an assessment in an amount of five percent (5%) of the total gross 18 receipts of every telecast promoter shall be levied. Total gross 19 receipts shall include the gross price charged for the sale, lease, 20 or other use of broadcasting, including, but not limited to, radio, 21 television, including cable television, pay-per-view television, and 22 closed-circuit television, or motion picture rights of combative 23 24 sports or amateur mixed martial arts contests, events, or

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exhibitions conducted within this state, without any deductions for
 commissions, brokerage fees, distribution fees, advertising, or
 other expenses or charges.

In the case of facilities at or through which the 4 Μ. 1. 5 closed-circuit telecast is shown other than a cable system 6 operator's pay-per-view facilities, the telecast promoter shall, 7 within eight (8) days after the telecast, inclusive of mailing time, file with the Commission a written report detailing the name, 8 9 address, telephone number, contact person's name, and the details of 10 the payment arrangement for the right to receive the telecast for 11 each facility to which the broadcast was transmitted.

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

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

2. The cable system operator shall withhold from the proceeds 4 5 due to the telecast promoter the assessment payment required pursuant to subsection L of this section and remit the assessment to 6 the Commission on behalf of the telecast promoter. The cable system 7 operator shall not be liable for the remittance of the assessment 8 9 fee required pursuant to subsection L of this section from any 10 proceeds due to the cable system operator from its pay-per-view 11 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.

4. 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.

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

O. 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.

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

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

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

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

Such further information as the Oklahoma State Athletic
Commission may require to enable it to compute correctly and collect
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.

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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.

5 T. The promoter shall compute and pay to the Oklahoma State 6 Athletic Commission the required assessment due. If the payment of 7 the assessment is not postmarked or delivered to the Oklahoma State 8 Athletic Commission as specified in subsections H through L of this 9 section, whichever is appropriate, the assessment shall be 10 delinquent from such date.

11 U. It shall be the duty of every promoter required to make a 12 gross receipts report and pay any assessment pursuant to the provisions of this section to keep and preserve suitable records and 13 documents which may be necessary to determine the amount of 14 15 assessment due as will substantiate and prove the accuracy of such reports. All such records shall be preserved for a period of three 16 (3) years, unless the Oklahoma State Athletic Commission, in 17 writing, has authorized their destruction or disposal at an earlier 18 date, and shall be open to examination at any time by the Oklahoma 19 State Athletic Commission or by any of its authorized employees. 20 SECTION 7. AMENDATORY 3A O.S. 2011, Section 619, as 21 amended by Section 16, Chapter 359, O.S.L. 2012 (3A O.S. Supp. 2020, 22 Section 619), is amended to read as follows: 23

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1	Section 619. Beginning February 1, 2000, the Oklahoma State
2	Athletic Commission shall file an annual report of combative sports
3	activities in Oklahoma with the Governor, the President Pro Tempore
4	of the Senate, and the Speaker of the House of Representatives.
5	Said report shall include, but not be limited to, the amount of
6	revenue collected, the number of permits and licenses issued and
7	revoked, the number of violations of the Oklahoma State Athletic
8	Commission Act, and the number of professional combative sports
9	events and, amateur mixed martial arts events and amateur kickboxing
10	events conducted.
11	SECTION 8. This act shall become effective November 1, 2021.
12	COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS March 31, 2021 - DO PASS
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