

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 59th Legislature (2023)

4 HOUSE BILL 1387

By: Bashore and **Luttrell** of the
House

5
6 and

7 **Weaver** of the Senate

8
9 AS INTRODUCED

10 An Act relating to amusements and sports; amending 3A
11 O.S. 2021, Sections 602, 604.3, 605, and 617, which
12 relate to the Oklahoma State Athletic Commission;
13 defining term; removing requirement that certain
14 funds be disbursed to promoter; providing
15 specifications related to the position of the
16 assistant; modifying reimbursement percentage;
17 providing description of certain fee; and providing
18 an effective date.

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

20 SECTION 1. AMENDATORY 3A O.S. 2021, Section 602, is
21 amended to read as follows:

22 Section 602. A. As used in the Oklahoma State Athletic
23 Commission Act:

24 1. "Administrative support" means physical resources including
but not limited to office space, equipment typically found in an
office, and furnishings, and duties including but not limited to the

1 processing of Commission-directed expenditures in regard to payroll,
2 travel, travel reimbursement, human resources, and management of the
3 Commission's funds from appropriation or the Oklahoma State Athletic
4 Commission Revolving Fund as directed by the Commission;

5 2. "Administrator" means the administrator of the Oklahoma
6 State Athletic Commission;

7 ~~2.~~ 3. "Amateur combative sports event" means a combative sports
8 event in which the participants have never been licensed as
9 professionals in any combative sport;

10 ~~3.~~ 4. "Amateur combative sports practitioner" means a person
11 who has never received or competed for any purse or other article
12 either for the expenses of training therefor or for participating in
13 any combative sports contest or exhibition which exceeds in monies
14 or other things of value a sum to be determined by the Oklahoma
15 State Athletic Commission;

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

23 ~~5.~~ 6. "Amateur mixed martial arts" means any form of
24 competitive pugilistic contest in which the participants have never

1 been licensed as professionals in any combative sport and blows are
2 delivered with any part of the hands, feet, or knees and multiple
3 combative disciplines are used including grappling. Such contests
4 take place in a rope-enclosed ring or fenced enclosed cage and are
5 fought in timed rounds;

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

10 ~~7.~~ 8. "Booking agent" means independent contractors who act as
11 bookers, agents, agencies and representatives who secure engagements
12 and contracts for combative sports participants;

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

19 ~~9.~~ 10. "Broadcast" means any audio or visual transmission sent
20 by any means of signal within this state, whether live or taped or
21 time delayed, and includes any replays thereof. "Broadcast" shall
22 not include any audio or visual transmission sent by any means of
23 signal of any professional boxing event conducted outside this
24 state;

1 ~~10.~~ 11. "Cable system operator" means any person who makes
2 available or provides customers a closed-circuit telecast which is
3 pay-per-view, including any person who does so as a direct broadcast
4 satellite provider or other multichannel video service provider;

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

20 ~~12.~~ 13. "Club" means an incorporated or unincorporated
21 association or body of individuals voluntarily united and acting
22 together for some common or special purpose;

23 ~~13.~~ 14. "Combative sports" means any form of competitive
24 pugilism or unarmed combat in which a blow is usually struck which

1 may reasonably be expected to inflict injury, including but not
2 limited to boxing, wrestling, mixed martial arts, and kickboxing,
3 but shall not include the martial arts (singular) as defined by the
4 provisions of this section;

5 ~~14.~~ 15. "Combative sports practitioner" means a person who
6 competes or spars in a combative sports event and includes boxers,
7 kickboxers, mixed martial artists and wrestlers;

8 ~~15.~~ 16. "Commission" means the Oklahoma State Athletic
9 Commission;

10 ~~16.~~ 17. "Contest" means a combative sports event in which it is
11 reasonable to anticipate that the participants strive earnestly in
12 good faith to win;

13 ~~17.~~ 18. "Corner person" means, but shall not be limited to, a
14 trainer, a second, or any other individual who attends the
15 participant during a match;

16 ~~18.~~ 19. "Event" means a combative sports contest or exhibition
17 including but not limited to a match, bout, contest, show or
18 tournament;

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

22 ~~20.~~ 21. "Judge" means an individual other than a referee who
23 shall have a vote in determining the winner of any contest;

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1 ~~21.~~ 22. "Kickboxing" means any form of competitive pugilistic
2 professional contest or exhibition in which blows are delivered with
3 the hand and any part of the foot. Such contests or exhibitions
4 take place in a rope-enclosed ring and are fought in timed rounds;

5 ~~22.~~ 23. "License" means a certificate issued by the Commission
6 to participants of sanctioned professional combative sports
7 contests, professional exhibitions, and amateur mixed martial arts
8 contests and is a mandatory requirement for participation in such
9 events;

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

15 ~~24.~~ 25. "Martial arts" means any form of karate, kung fu, tae
16 kwon-do, or any other form of martial or self-defense art;

17 ~~25.~~ 26. "Matchmaker" means an individual who brings together
18 professional combative sports participants or arranges professional
19 combative sports contests or professional exhibitions;

20 ~~26.~~ 27. "Participant" means an individual who takes part in a
21 combative sports event;

22 ~~27.~~ 28. "Pay-per-view telecasts of professional combative
23 sports events" means telecasts offered by cable television companies
24 to subscribers at a cost in addition to the monthly cable television

1 subscription rate. Such events shall include local and state
2 professional combative sports contests and professional exhibitions
3 as defined in this section;

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

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

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

15 ~~31.~~ 32. "Professional combative sports event" means a combative
16 sports event in which the participants are paid a purse;

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

1 ~~33.~~ 34. "Promote" or "promoting" means producing, staging,
2 sponsoring, organizing or otherwise holding a combative sports event
3 whether or not the event is open to the public;

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

11 ~~35.~~ 36. "Pugilism" means combative sports or the skill or
12 practice of fighting with the fists;

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

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

~~38.~~ 39. "Sanctioning permit" means a permit issued by the

Commission to promoters who make application for official approval of professional combative sports events and amateur mixed martial arts events;

~~39.~~ 40. "Sparring" means to engage in a form of combative sport

with jabbing or feinting movements, and the exchange of few heavy blows, such as occurs in a practice or exhibition boxing match;

~~40.~~ 41. "Telecast promoter" means any promoter who shows or

causes to be shown in this state a closed-circuit telecast of any professional combative sports event conducted in this state.

"Telecast promoter" shall not include a cable system operator;

~~41.~~ 42. "Trainer" means an individual who assists, coaches, or

instructs any professional combative sports practitioner or amateur mixed martial artist with respect to physical conditioning, strategy, techniques, or preparation for competition, professional combative sports contests, or professional exhibitions; and

~~42.~~ 43. "Vendor" means any individual, firm, organization,

club, or corporation that participates in the conduct of a professional combative sports event or amateur mixed martial arts event conducted in this state by offering for sale food or merchandise, including, but not limited to, wearing apparel, alcoholic and nonalcoholic beverages, souvenirs, and programs.

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

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

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

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

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

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

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1 | purse or other money, the funds shall be moved to the Oklahoma State
2 | Athletic Commission Revolving Fund ~~and disbursed to the promoter.~~

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

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

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

22 | C. The State Department of Health shall provide administrative
23 | support for the Commission, including, but not limited to, office
24 | space, equipment, and furnishings, payroll and employee benefit

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

20 D. Employees of the Commission shall be considered unclassified
21 employees of the State Department of Health only for the purpose of
22 administrative support provided by the State Department of Health as
23 prescribed in subsection C of this section. Persons employed by the
24 Commission shall serve at the direction and pleasure of the

1 Commission and shall answer directly to the Commission administrator
2 and the Commission.

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

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

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

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

1 C. Promoters of professional boxing events, professional mixed
2 martial arts events, amateur mixed martial arts events and amateur
3 kickboxing events shall pay the greater of the five-percent
4 assessment levied pursuant to subsection A of this section or Four
5 Hundred Fifty Dollars (\$450.00) to the Commission.

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

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

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

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

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

22 G. For the purpose of this section, total gross receipts of
23 every vendor shall include the gross price charged for the sale of
24 food, alcoholic and nonalcoholic beverages, and merchandise

1 including, but not limited to, wearing apparel, souvenirs, and
2 programs, excluding that portion paid to any promoter.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 P. Gross receipts reports signed under oath shall also include:

2 1. The name of the promoter;

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

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

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

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

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

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

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

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

7 U. It shall be the duty of every promoter required to make a
8 gross receipts report and pay any assessment pursuant to the
9 provisions of this section to keep and preserve suitable records and
10 documents which may be necessary to determine the amount of
11 assessment due as will substantiate and prove the accuracy of such
12 reports. All such records shall be preserved for a period of three
13 (3) years, unless the Oklahoma State Athletic Commission, in
14 writing, has authorized their destruction or disposal at an earlier
15 date, and shall be open to examination at any time by the Oklahoma
16 State Athletic Commission or by any of its authorized employees.

17 SECTION 5. This act shall become effective November 1, 2023.
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19 COMMITTEE REPORT BY: COMMITTEE ON GENERAL GOVERNMENT, dated
20 02/21/2023 - DO PASS, As Coauthored.
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