

APA1
07/04

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control No. 165 Department or Agency Alabama Athletic Commission

Rule No. 165-X-6-.02

Rule Title: Licenses

New Amend Repeal Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?

Yes

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?

Yes

Is there another, less restrictive method of regulation available that could adequately protect the public?

No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree?

Yes; Licensing Fees

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?

No

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?

Yes

Does the proposed rule have an economic impact?

Yes

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 412223, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer

Joseph B. McNeill

Date

9/19/16

(DATE FILED)
(STAMP)

APA-2
07/04

**Alabama Athletic Commission
NOTICE OF INTENDED ACTION**

AGENCY NAME:

Alabama Athletic Commission

RULE NO. & TITLE:

165-X-6-.02 Licenses

INTENDED ACTION:

Create rules and regulations for the currently unregulated combative sport of professional kickboxing.

SUBSTANCE OF PROPOSED ACTION:

This section defines the persons requiring licensing, licensing requirements, and licensing costs.

TIME, PLACE, MANNER OF PRESENTING VIEWS:

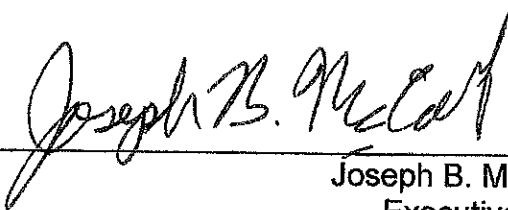
This rule was proposed and adopted by the AAC met on Friday, September 16, 2016, to enter the rules process. The proposal passed unanimously.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

November 14, 2016

CONTACT PERSON AT AGENCY:

Ashley McGhee
260 Commerce Street, 4th Floor
Montgomery, AL 36104
(334) 245-4374



Joseph B. McCormick
Executive Director
Alabama Athletic Commission

(1) Application Procedures.

(a) Terms and Agreements. Every license issued is subject to the terms, conditions, and agreements set forth in the application as well as those set forth in these rules and the Alabama Boxing, Wrestling, and Mixed Martial Arts Act.

(b) Applications and Forms. Applications for annual license shall be submitted to the Commission on an application form provided by the Commission.

1. Licenses for kickboxing are distinct and separate from those of boxing and mixed martial arts. All persons applying to participate in the capacity of promoter, referee, judge, timekeeper, matchmaker, kickboxer, managers, trainer, and/or second shall make application for a kickboxing specific license. These license shall be designated "MMA-Kickboxing."

(c) Incomplete Applications.

1. No license or permit shall be issued until the person seeking the license or permit has submitted a complete application.

2. Applications submitted without proper payment as provided in these rules will not be processed or approved.

(d) Participant Application Due Date. Except as provided in 165-X-6-.02 (a) below, all participant applications must be submitted prior to the weigh-in preceding the first professional match in which the applicant intends to participate in this state, in a given year.

1. No official weigh-in will be performed for an unlicensed kickboxer.

2. Licenses shall be issued annually and shall expire on December 31 of each calendar year.

(e) Approval and Denial of Participant Licenses. Annual licenses for promoters, referees, judges, timekeepers, matchmakers, kickboxers, managers, trainers, and seconds may be approved or denied by the Commission.

1. Any individual denied a license by the Commission can appeal the denial of the license to the Commission. The appeal will be heard by the Commission at a hearing set by the Commission. At the conclusion of the hearing, the Commission will vote to sustain or overrule the denial.

(f) Background Investigation. The Commission may request general background information of any applicant for any license.

(g) Denial of License. The Commission may deny issuing a license to any person who has violated the Alabama Boxing, Wrestling, and Mixed Martial Arts Act, or has violated Commission rules and regulations or violated Commission bylaws or who submits an application containing false statements or material omissions.

(h) Verbal or physical abuse of officials or commission supervisor(s). Any licensee who verbally or physically abuses an official or member of the Commission appointed supervisor of a match shall be summarily suspended and his or her license may be revoked.

(i) Prohibited Communication with Individual Commissioners. Anyone wishing to communicate with member of the Commission must notify the executive director of the Commission two (2) weeks prior to the next regularly scheduled meeting. Timely written notices will be added to the meeting's agenda. Any person wishing to address the Commission shall be given the opportunity to do so during the new business section of the next regularly scheduled Commission meeting.

(j) License Differentiation. Persons wishing to compete in kickboxing matches, bouts:

1. Promoters, referees, judges, timekeepers, matchmakers, kickboxers, managers, trainers, seconds, or their agents, are prohibited from petitioning any individual Commissioner with the intent of affecting the outcome of an application or other issues being actively reviewed or expected to be reviewed by the Commission. Persons who violate this rule shall be subject to disciplinary actions.

(k) Documents. All documents submitted to the Commission for purposes of making application or any other purpose shall be property of the Commission.

(2) License Fees.

(a) Application Fees. All application and renewal fees shall be submitted with the application or renewal. All fees shall be by certified check or money order.

1. Schedule of Fees. Annual fees for participant licenses, promoter's licenses, and match permits are as follows:

(i)	Kickboxer	\$30.00
(ii)	Kickboxing Judge	\$100.00
(iii)	Kickboxing Manager	\$75.00
(iv)	Application for Match Permit Kickboxing	\$250.00

(v)	Match Permit Kickboxing (Minimum)	\$250.00
(vi)	Kickboxing Matchmaker	\$75.00
(vii)	Kickboxing Promoter	\$250.00
(viii)	Kickboxing Referee	\$100.00
(ix)	Kickboxing Timekeeper	\$100.00
(x)	Kickboxing Trainer/Second	\$30.00
(xi)	Returned Check	\$30.00
(xii)	Late Match Permit Fee Payment 20% of Match Permit Fee (whichever is greater)	\$50.00 or

2. Application Fees are not refundable. The proposed date of any match disclosed on an open match permit application may be changed without the requirement of an additional fee.

3. All fees shall be paid by cash, certified check, cashier's check, or personal check.

(3) Licenses Issued By the Commission.

(a) Promoter's License. Application for promoter's license must be made in writing and received by the Commission no less than thirty (30) days in advance of the proposed date for promoting any professional match in this state.

1. Each application for a promoter's license shall be accompanied with a cashier's check or money order in the amount of \$250.00 and made out to the Commission.

2. Each application for a promoter's license shall be accompanied with an appropriate security bond.

3. Applications for a promoter's license shall be signed in the presence of a Commission representative, or shall be signed in the presence of and verified by a notary public.

4. The promoter shall provide the Commission's executive director a video of the match within thirty (30) days of the match. The video shall be provided in a format acceptable to the Commission or the Commission's executive director. The Commission reserves the right to change the requested format of the video at any time.

5. Promoters are prohibited from participating in any match that they are promoting without approval from the Commission. Any promoter that

is approved to participate in a match must obtain the appropriate participant license from the Commission.

6. Any licensed promoter who partners or joint-ventures with any other person, for the promotion of a kickboxing match in this state, shall disclose to the Commission each party's financial responsibility in the partnership or joint-venture. The promoter licensed by the Commission shall be considered the principal promoter of the show and will be solely responsible for all financial obligations incurred in its production. Contracts shall be filed with the Commission delimiting each party's financial responsibility.

7. Any licensed promoter who partners or joint-ventures with any other person, or the promotion of a kickboxing match in this state, shall be considered a co-promoter.

8. Co-promoters must obtain a promoter's license prior to promoting any professional match in this state.

9. Any licensed promoter and co-promoter may be able to cross-promote a joint boxing and kickboxing event or mixed martial arts and kickboxing event under one event permit. The promoter shall declare on their event permit application that they intend to promote the event as a cross-promotional event.

(i) A promoter for a cross-promotion event must be licensed as a promoter for each type of match that is to be held at a cross promotional event. When more than one promoter promotes an event, the collective licenses held by the promoters must cover each type of match that is to be held at a cross-promotional event.

10. Agreements between the promoter and any other party or co-promoter for payment of any purse will not be honored by the Commission unless the co-promoter or any other party files with the Commission an approved security bond in the amount of the total deferred obligation.

11. Agreements between the promoter and any other party or co-promoter for payment of any regulatory fees, match permit fees, license fees, and or taxes will not be honored by the Commission without prior approval by the Commission and without the co-promoter or other party filing with the Commission an approved security bond or some combination thereof in the amount of the total deferred obligation.

12. Any co-promoter of a kickboxing match shall obtain a promoter license from the Commission. There shall be no limitation on the number of days prior to a match when a co-promoter's application may be submitted to the Commission, however, the application must be submitted thirty (30) days prior to promoting the match.

(i) Rules and requirements shall be the same for co-promoters as for promoters, provided however that the Commission may require from each co-promoter, in addition to the promoter's license bond, a suitable

match permit bond or such other financial security as defined by these rules or the Alabama Boxing, Wrestling, and Mixed Martial Arts Act.

(ii) Agreements between the co-promoter and the promoter for payment of any purse shall be submitted to the Commission and approved prior to the start of the match.

(iii) Agreements between the co-promoter and the promoter for payment of any fees, and taxes shall be submitted to the Commission and approved prior to the start of the match.

(b) Match Permit.

1. Applications for a match permit must be made in writing and received by the Commission at least thirty (30) days in advance of the date for such professional kickboxing match. Any licensed promoter who has held a professional kickboxing match in the state within the previous twelve (12) months may apply for subsequent match permits no less than fifteen (15) days in advance of the proposed date of each subsequent professional kickboxing match.

2. Each match permit application shall be accompanied by a non-refundable cashier's check or money order in the amount of \$250.00 and made out to the Alabama Athletic Commission.

3. A match permit fee will be calculated by the Commission. The Match permit fee shall be calculated at five percent (5%) of the gross receipts from ticket sales to the professional kickboxing match. For television and broadcasts, the match permit fee shall be calculated at three percent (3%) of the gross ticket receipts from television and broadcast revenue for the first one million dollars (\$1,000,000) of revenue and one percent (1%) of the next two million dollars (\$2,000,000). Television and broadcast fees will cap at fifty thousand dollars (\$50,000).

(i) Ticket sales include the face value of all tickets, orders, and lots sold for the event, and the fair value or face value of any promotional tickets, orders, and lots sold or provided at no cost.

(ii) The promoter must complete and submit to the Commission a Match Permit Fee Form provided by the Commission at the conclusion of the match. The Commission will calculate the Permit Fee and notify the promoter.

(iii) The promoter shall have thirty (30) days to submit the Permit Fee. Failure to submit the Match Permit Fee or Match Permit Fee Form within thirty (30) days will result in a twenty percent (20%) fee and the Commission shall commence liquidation action against the security bond(s) on file with the Commission.

(iv) Two percent (2%) of tickets may be complimentary and exempt from the match permit fee.

4. Each application for a match permit shall be accompanied with an appropriate security bond as provided for in these rules.

5. Each match permit application shall be accompanied with copies of all contracts with all participants and officials, and any other contracts which the promoter has entered into for the match. All contracts must be submitted prior to the first official weigh in of any fighter in the match.

6. Applicants for a match permit will be notified of the date, time, and place of documents submitted by the applicant will be reviewed by the Commission.

(i) Applicants or their designated and licensed representative(s) may attend the meeting and answer any questions the Commission has concerning the proposed event.

(ii) The Commission shall notify the applicant that his or her application has been approved or denied within seven (7) days of the Commission's decision.

7. Cross-promotional events shall be subject to one match permit fee by the promoter, unless written documentation is provided to the Commission stating the financial responsibilities of a co-promoter for their portion of the event. The rate of the fee schedule shall be the same as mentioned in the above rules.

(c) Matches, Contest and Exhibitions Benefiting Charity.

1. A person who wishes to promote a match for charitable purposes must file with the Commission a letter of intent to present the match as benefitting a charitable organization. The letter of intent must contain the name of the charity, charitable fund, or organization which is to benefit from the match and the amount expected to be paid to the charity. The letter of intent must be signed by the promoter and co-signed by an authorized representative of the charity to benefit from the match. No match permit shall be issued for a charitable match without full financial disclosure of both promoter(s) and charitable organization(s) involved, including all contracts and proposals between all licensees, officials, and parties involved.

2. Within three (3) business days after a match benefitting a charitable organization is held, the promoter(s) and benefitting charitable organization(s) shall furnish to the Commission:

(i) A certified copy of the ticket manifest showing the number of tickets sold. The manifest shall give a breakdown disclosing the number of tickets sold in each price range and the number of complimentary tickets given for the match;

(ii) A certified and itemized statement of the match's gross receipts from sponsorships, ticket sales, advertisements, or any other source;

(iii) A statement disclosing the itemized and total gross expenditures in connection with the match;

(iv) A statement co-signed by the promoter and the authorized representative of the charitable organization, disclosing the net amount paid to the charitable fund or organization.

3. If the promoter or charitable organization fails to file any of these statements within the prescribed time, the Commission:

(i) Shall notify the promoter that his or her license is summarily suspended.

(ii) Shall notify the charity of the suspension.

(iii) Shall decline to issue a match permit to any promoter to hold any future match for the benefit of the charitable organization, until the statements are provided.

(d) Matchmaker. Matchmakers applying for licensure shall meet the following requirements:

1. A matchmaker shall demonstrate to the Commission that they have the proper background in matchmaking, and shall produce a list of all professional fighters that they have matched, the promoters who promoted the matches, and the results of the matches.

2. The Commission may contact persons listed by the applicant to determine whether the applicant is qualified for licensure.

3. For cross-promotional events, a matchmaker shall be licensed for each combative discipline in which he or she is matching competitors in the event.

(e) Trainers. Trainers applying for licensure shall meet the following requirements:

1. An applicant shall demonstrate to the Commission that they have experience in training kickboxers, and shall produce a list of all professional fighter that they have trained, the promoters who promoted the matches, and the results of the matches. The applicant may be required to provide a list of amateur fighters that he or she has trained.

2. The Commission may contact the person listed to determine whether the applicant is qualified for licensure.

(f) Seconds. Seconds applying for licensure shall meet the following requirements:

1. An applicant shall demonstrate to the Commission that they have experience in serving as a second, and shall produce a list of all professional fighters that they have served as a second, the promoters who promoted the matches, and the results of the matches. The applicant may be required to provide a list of amateur fighters that they have served as a second.

2. The Commission may contact the persons listed by the applicant to determine whether the applicant is qualified for licensure.

(g) Disciplinary Action.

1. The Commission may revoke, suspend, place on probation, or take other disciplinary action against the license of any licensee who has violated any of its rules or regulations or any provisions of Code of Ala. 1975, §41-9-2010, or whose application contains false statements or material omissions.

(i) Any person who has had his or her license revoked by the Commission may not petition for reinstatement or apply for a new license until one (1) year after the revocation.

(h) Falsifying an Application. Upon a finding by the majority of the Commission that any licensee or applicant has knowingly made a misleading, deceptive, untrue, or fraudulent representation in regard to a professional match of kickboxing or any document connected therewith, or practiced fraud or deceit or intentionally made any false statement in obtaining a license to participate or promote a professional match of kickboxing, or made a false statement or deceptive registration with the Commission, then the Commission shall have the authority to refuse to grant a license to an applicant, revoke the license of a person licensed by the Commission, or otherwise discipline the applicant.

Authors: Joseph B. McCormick, J. Matt Bledsoe, Stan D. Frierson, Shane T. Sears

Statutory Authority: Code of Ala. 1975, §41-9-1024

History: New Rule: