

The House Committee on Governmental Affairs offers the following substitute to HB 558:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 4B of Title 43 of the Official Code of Georgia Annotated, relating to the
2 Georgia Athletic and Entertainment Commission, so as to revise and clarify definitions
3 relative to the commission; to change a provision relating to the applicability of the chapter;
4 to change a provision relating to the term of appointment for members of the commission;
5 to provide for the offense of promotion of unarmed combat; to provide for penalties; to
6 change a provision relating to service charges for tickets sold by an authorized ticket agent;
7 to provide for the commission's authority relative to licensure of organizations that govern
8 and authorize matches, contests, and exhibitions of martial arts and wrestling and permitting
9 of such matches, contests, and exhibitions; to provide for fees; to provide for requirements
10 for such matches, contests, or exhibitions; to prohibit licensure in certain circumstances; to
11 provide that receipt of compensation by an officer or director of a licensed organization for
12 services relating to a match, contest, or exhibition authorized or governed by such
13 organization is unlawful; to provide for a penalty; to provide for fines and for suspension,
14 revocation, and denial of licenses and permits; to provide for exemptions; to provide for
15 related matters; to repeal conflicting laws; and for other purposes.

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

17 **SECTION 1.**

18 Chapter 4B of Title 43 of the Official Code of Georgia Annotated, relating to the Georgia
19 Athletic and Entertainment Commission, is amended by striking Code Section 43-4B-1,
20 relating to definitions relative to the commission, and inserting in lieu thereof the following:

21 "43-4B-1.

22 As used in this chapter, the term:

23 (1) 'Amateur', when applied to a person engaged in boxing, wrestling, or a martial art,
24 means a person who engages in a match, contest, or exhibition of boxing, wrestling, or
25 a martial art that ~~which~~ is governed or authorized by:

26 (A) U.S.A. Boxing;

1 (B) The Georgia High School Athletic Association;

2 (C) The National Collegiate Athletic Association;

3 (D) Amateur Athletic Union;

4 (E) Golden Gloves; or

5 (F) Team Georgia Amateur Wrestling;

6 (G) USA Wrestling;

7 (H) National High School Coaches Association; or

8 (I) The local affiliate of any organization listed in this paragraph.

9 (2) 'Boxing match' means a contest between two individuals in which contestants score
10 points in rounds of two or three minutes by striking with padded fists the head and upper
11 torso of the opponent or by knocking the opponent down and rendering the opponent
12 unconscious or incapable of continuing the contest by such blows, which contest is held
13 in a square ring supervised by a referee and scored by three judges.

14 (3) 'Boxing registry' means a registry created or designated pursuant to subsection (j) of
15 Code Section 43-4B-4.

16 (3.1) 'Charitable organization' means an entity described by:

17 (A) Section 501(c)(3), Internal Revenue Code of 1986 (26 U.S.C. Section 501(c)(3));
18 or

19 (B) Section 170(c), Internal Revenue Code of 1986 (26 U.S.C. Section 170(c)).

20 (4) 'Commission' means the Georgia Athletic and Entertainment Commission.

21 (5) 'Exhibition' means a contest where the participants engage in the use of boxing,
22 wrestling, or martial arts skills and techniques and where the objective is to display such
23 skills and techniques without striving to win.

24 (6) 'Face value' means the dollar value of a ticket or order, which value shall reflect the
25 dollar amount that the customer is required to pay or, for complimentary tickets, would
26 have been required to pay to purchase a ticket with equivalent seating priority in order
27 to view the match, contest, exhibition, or entertainment event. A complimentary ticket
28 shall not have a face value of \$0.00. A complimentary ticket shall not have a face value
29 of less than that of the least expensive ticket available for sale to the general public. Face
30 value shall include any charges or fees, such as dinner, gratuity, parking, surcharges, or
31 any other charges or fees which are charged to and must be paid by the customer in order
32 to view the match, contest, exhibition, or entertainment event. It shall exclude any portion
33 paid by the customer for federal, state, or local taxes.

34 (7) 'Gross proceeds' means the total revenue received solely from the sale of tickets used
35 or intended to be used by the audience physically attending any event required to be
36 licensed under this chapter.

37 (8) 'Gross receipts' means:

1 (A) The gross price charged for the sale or lease of broadcasting, television, pay per
 2 view, closed circuit, or motion picture rights without any deductions for commissions,
 3 brokerage fees, distribution fees, production fees, advertising, or other expenses or
 4 charges; ~~and~~

5 (B) The face value of all tickets sold and complimentary tickets ~~redeemed~~; issued,
 6 provided, or given; and

7 (C) The face value of any seats issued, provided, or given in exchange for advertising,
 8 sponsorships, or anything of value to the promotion of an event.

9 (9) 'Local tax' means any occupation tax or other tax owed to a county or municipality
 10 in order to hold a ~~professional~~ match, contest, or exhibition of ~~boxing~~ or to carry on a
 11 business as a ticket broker within such county or municipality.

12 (10) 'Manager' means a person who under contract, agreement, or other arrangement with
 13 a boxer, undertakes to control or administer, directly or indirectly, a matter related to
 14 boxing on behalf of a boxer. Such term includes, but is not limited to, a person who
 15 functions as a booking agent, adviser, or consultant.

16 (10.1) 'Martial art' means any form of unarmed combative sport or unarmed combative
 17 entertainment that allows contact striking, except boxing or wrestling.

18 (11) 'Matchmaker' means a person who is employed by or associated with a promoter in
 19 the capacity of booking and arranging professional matches, contests, or exhibitions of
 20 boxing between opponents or who proposes professional matches, contests, or exhibitions
 21 of boxing and selects and arranges for the participants in such events and for whose
 22 activities in this regard the promoter is legally responsible.

23 (11.1) 'Original purchaser for personal use' means a person who buys one or more tickets
 24 with the intention of using the ticket or tickets solely for the use of the purchaser or the
 25 purchaser's invitees, employees, and agents. An original purchaser who resells more than
 26 six tickets to the same athletic contest or entertainment event and who resells tickets to
 27 an athletic contest or entertainment event for more than 105 percent of their face value
 28 shall be rebuttably presumed to be engaging in the business of a ticket broker in any
 29 criminal prosecution or civil action, order, or penalty by the commission.

30 (11.2) 'Patron boxing', 'patron wrestling', or 'patron martial arts' means boxing, wrestling,
 31 or martial arts that is not:

32 (A) Governed or authorized by any organization listed in paragraph (1) of this Code
 33 section;

34 (B) Governed or authorized by an organization licensed by the commission in
 35 accordance with this chapter;

36 (C) Governed or authorized by an organization exempted from licensure by the
 37 commission in accordance with this chapter; and

1 (D) Licensed by the commission in accordance with Article 2 of this chapter.

2 ~~(11.2)~~(11.3) 'Pay per view' means a telecast for which a fee is required in addition to any
3 other fee paid by the viewer for any other services of the telecaster.

4 (12) 'Person' means any individual, partnership, firm, association, corporation, or
5 combination of individuals of whatever form or character.

6 (13) 'Physician' means a doctor of medicine or other medical professional legally
7 authorized by any state to practice medicine.

8 (14) 'Professional' means a person who is participating or has participated in a match,
9 contest, or exhibition of boxing or wrestling which is not governed or authorized by one
10 or more of the organizations listed in paragraph (1) of this Code section and:

11 (A) Has received or competed for or is receiving or competing for any cash as a salary,
12 purse, or prize for participating in any match, contest, or exhibition of boxing or
13 wrestling;

14 (B) Is participating or has participated in any match, contest, or exhibition of boxing
15 or wrestling to which admission is granted upon payment of any ticket for admission
16 or other evidence of the right of entry;

17 (C) Is participating or has participated in any match, contest, or exhibition of boxing
18 or wrestling which is or was filmed, broadcast, or transmitted for viewing; or

19 (D) Is participating or has participated in any match, contest, or exhibition of boxing
20 or wrestling which provides a commercial advantage by attracting persons to a
21 particular place or promoting a commercial product or enterprise.

22 (15) 'Professional match, contest, or exhibition of boxing or wrestling' means a boxing
23 or wrestling match, contest, or exhibition which is not governed or authorized by one or
24 more of the organizations listed in paragraph (1) of this Code section and:

25 (A) Rewards a boxer or wrestler participating with cash as a salary, purse, or prize for
26 such participation;

27 (B) Requires for admission payment of a ticket for admission or other evidence of the
28 right of entry;

29 (C) Is filmed, broadcast, or transmitted for viewing; or

30 (D) Provides a commercial advantage by attracting persons to a particular place or
31 promoting a commercial product or enterprise.

32 (16) 'Promoter' means the person primarily responsible for organizing, promoting, and
33 producing a professional match, contest, or exhibition of boxing or wrestling and who is
34 legally responsible for the lawful conduct of such professional match, contest, or
35 exhibition of boxing or wrestling.

36 (16.1) 'Promotion of unarmed combat' means the organization, promotion, production,
37 publicizing, or arranging of, or provision of a venue for, a competition of unarmed

1 combat by a person who receives some compensation or commercial benefit from such
 2 competition.

3 (17) 'Purse' or 'ring earnings' means the financial guarantee or any other remuneration,
 4 or part thereof, for which professional boxers or wrestlers are participating in a match,
 5 contest, or exhibition and includes the boxer's or wrestler's share of any payment
 6 received for radio broadcasting, television, or motion picture rights.

7 (18) 'State' means any of the 50 states, Puerto Rico, the District of Columbia, and any
 8 territory or possession of the United States.

9 (19) 'Ticket broker' means:

10 (A) Any person who is involved in the business of reselling tickets of admission to
 11 athletic contests, concerts, theater performances, amusements, exhibitions, or other
 12 entertainment events held in this state to which the general public is admitted and who
 13 charges a premium in excess of the price of the ticket; or

14 (B) Any person who has a permanent office or place of business in this state who is
 15 involved in the business of reselling tickets of admission to athletic contests, concerts,
 16 theater performances, amusements, exhibitions, or other entertainment events held
 17 inside or outside this state to which the general public is admitted and who charges a
 18 premium in excess of the price of the ticket.

19 The term ticket broker shall not include the owner, operator, lessee, or tenant of the
 20 property in which an athletic contest or entertainment event is being held or the sponsor
 21 of such a contest or event or the authorized ticket agent of such persons.

22 (20)(A) 'Unarmed combat' means any form of competition between human beings or
 23 one or more human beings and one or more animals in which:

24 (i) One or more blows are struck which may reasonably be expected to inflict injury
 25 on a human being; and

26 (ii) There is some compensation or commercial benefit arising from such
 27 competition, whether in the form of cash or noncash payment to the competitors or
 28 the person arranging the competition; the sale of the right to film, broadcast, transmit,
 29 or view the competition; or the use of the competition to attract persons to a particular
 30 location for some commercial advantage or to promote a commercial product or
 31 commercial enterprise.

32 (B) Unarmed combat shall include but shall not be limited to: tough man fights, bad
 33 man fights, nude boxing, ~~and~~ nude wrestling, patron boxing, patron martial arts, and
 34 patron wrestling.

35 (C) Unarmed combat shall not include:

36 (i) Professional boxing licensed in accordance with this chapter;

1 (ii) Professional wrestling governed or authorized by an organization licensed or
 2 exempted from licensure in accordance with this chapter;

3 (iii) Amateur boxing governed or authorized by an organization listed in paragraph
 4 (1) of this Code section;

5 (iv) Amateur wrestling governed or authorized by an organization listed in paragraph
 6 (1) of this Code section;

7 (v) Any competition displaying the skills of a single form of an Oriental system of
 8 unarmed ~~self-defense~~ combative sports or unarmed combative entertainment,
 9 including, but not limited to, kick boxing, karate, or full-contact karate, ~~which~~ that is
 10 held pursuant to the rules of that form and governed or authorized by ~~a nationally~~
 11 ~~recognized organization~~ an organization licensed by the commission in accordance
 12 with Article 4 of this chapter;

13 (vi) Shidokan when the competition is governed ~~by the United States Shidokan of the~~
 14 ~~World Karate Association~~ or authorized by an organization licensed by the
 15 commission in accordance with Article 4 of this chapter; or

16 (vii) Mixed martial arts fighting when the competition is ~~sanctioned, approved, or~~
 17 ~~endorsed by the International Sport Combat Federation (ISCF);~~ governed or
 18 authorized by an organization licensed by the commission in accordance with Article
 19 4 of this chapter; or

20 (viii) Other martial arts competitions, when governed or authorized by an
 21 organization licensed by the commission in accordance with Article 4 of this chapter.

22 (21) 'Wrestling' means:

23 (A) A staged ~~a staged~~ performance of fighting and gymnastic skills and techniques by
 24 two or more human beings who are not required to use their best efforts in order to win
 25 and for which the winner may have been selected before the performance commences;

26 or

27 (B) A performance of fighting and gymnastic skills and techniques by two or more
 28 human beings."

29 SECTION 2.

30 Said chapter is further amended by striking Code Section 43-4B-2, relating to the application
 31 of the chapter, and inserting in lieu thereof the following:

32 "43-4B-2.

33 The provisions of this chapter shall not be construed to apply to any match, contest, or
 34 exhibition ~~of boxing~~:

35 (1) In which the contestants are all amateurs; and

36 (2) Which is governed or authorized by:

- 1 (A) U.S.A. Boxing;
 2 (B) The Georgia High School Athletic Association;
 3 (C) The National Collegiate Athletic Association;
 4 (D) Amateur Athletic Union;
 5 (E) Golden Gloves; or
 6 (F) Team Georgia Amateur Wrestling;
 7 (G) USA Wrestling;
 8 (H) National High School Coaches Association; or
 9 (I) The local affiliate of any organization listed in this paragraph."

10 SECTION 3.

11 Said chapter is further amended in Code Section 43-4B-3, relating to the membership of the
 12 Georgia Athletic and Entertainment Commission, the commission's medical advisory panel,
 13 and reimbursement of members, by striking subsection (b) and inserting in lieu thereof the
 14 following:

15 "(b) The commission shall be composed of five members appointed by the Governor. ~~All~~
 16 ~~appointments shall be for terms of four years.~~ Each member of the commission shall be
 17 appointed for a term of four years and until his or her successor is appointed. Vacancies
 18 shall be filled for the unexpired terms under the same procedures and requirements as
 19 appointments for full terms."

20 SECTION 4.

21 Said chapter is further amended in Code Section 43-4B-20, relating to required reports from
 22 promoters, by striking subsection (a) and inserting in lieu thereof the following:

23 "(a) A promoter holding a match of boxing shall, within 72 hours after the match, file with
 24 the commission a written report which includes the number of tickets sold, the amount of
 25 gross receipts, and any other facts the commission may require. ~~For the purposes of this~~
 26 ~~chapter, total gross receipts include:~~

27 ~~(1) The gross price charged for the sale or lease of pay per view telecasting and motion~~
 28 ~~picture rights without any deductions for commissions, brokerage fees, distribution fees,~~
 29 ~~advertising, or other expenses or charges;~~

30 ~~(2) The face value of all tickets sold and complimentary tickets issued, provided, or~~
 31 ~~given; and~~

32 ~~(3) The face value of any seat or seating issued, provided, or given in exchange for~~
 33 ~~advertising, sponsorships, or anything of value to the promotion of an event."~~

SECTION 5.

Said chapter is further amended in Code Section 43-4B-21, relating to penalties for violations relative to boxing and fighting, by inserting a new subsection to be designated subsection (d) to read as follows:

"(d) Promotion of unarmed combat, as defined in Code Section 43-4B-1, is a misdemeanor for the first offense; a high and aggravated misdemeanor for the second offense; and a felony for the third and subsequent offenses, punishable upon conviction by a fine not to exceed \$10,000.00 or imprisonment not to exceed two years, or both such fine and imprisonment."

SECTION 6.

Said chapter is further amended in Code Section 43-4B-25, relating to authority to resell ticket, by striking subsection (a) and inserting in lieu thereof the following:

"(a) Except as otherwise provided in Code Section 43-4B-29, it shall be unlawful for any person other than a ticket broker licensed in accordance with this article to resell or offer for resale any ticket of admission or other evidence of the right of entry to any athletic contest, concert, theater performance, amusement, exhibition, or other entertainment event to which the general public is admitted for a price in excess of the face value of the ticket. Notwithstanding any other provision of this article to the contrary, a service charge not to exceed \$3.00 may be charged when tickets or other evidences of the right of entry are sold by an authorized ticket agent through places of established business licensed to do business by the municipality or county, where applicable, in which such places of business are located, provided that there are at least two locations in this state at which the public may purchase such tickets or other evidences of the right of entry without paying a service charge; one of such locations shall be at the facility where the event will be held, and another of such locations may be an Internet website. Such ticket information shall be included in all advertisements for each such event. ~~Notwithstanding any other provision of this article to the contrary, the owner, operator, lessee, or tenant of the property on which such athletic contest or entertainment event is to be held or is being held or the sponsor of such contest or event may charge or may authorize, in writing, any person to charge a service charge for the sale of such ticket, privilege, or license of admission in addition to the face value of the ticket. Such writing granting authority to another shall specify the amount of the service charge to be charged for the sale of each ticket, privilege, or license of admission.~~"

SECTION 7.

Said chapter is further amended by inserting a new article to be designated Article 4, to read as follows:

"ARTICLE 4

43-4B-50.

The commission shall have the authority to license organizations that govern and authorize matches, contests, and exhibitions of martial arts and wrestling and to exempt organizations from licensure in accordance with this article. The commission shall have the duty to safeguard the public health by requiring licensed organizations to abide by rules promulgated by the commission for basic minimum medical and safety requirements based on the nature of the activity and the anticipated level of physical conditioning and training of competitors. The commission shall have the authority to require annual fees for licensure and a fee for each such match, contest, or exhibition and to penalize licensed organizations and the holders of match permits that violate the provisions of this article or rules of the commission promulgated in accordance with this article. The commission shall have the authority to provide oversight services, including but not limited to medical services, referees, and other officials, to a licensed organization for a fee negotiated between the commission and the licensed organization.

43-4B-51.

(a) The annual fee for licensure of organizations subject to this article is \$1,000.00.

(b) The maximum permit fee for each match, contest, or exhibition authorized or governed by an organization licensed in accordance with this article is \$250.00. Such fee shall be paid to the commission on or before the date of the match, contest, or exhibition. The commission shall refund the fee if the match, contest, or exhibition is not held.

43-4B-52.

(a) A licensed organization shall provide written notice to the commission of a match, contest, or exhibition authorized and governed by the organization no later than seven days before the date of the match, contest, or exhibition. The licensed organization governing the match, contest, or exhibition shall provide information required by the commission relating to the contestants, venue, rules for the competition, and anticipated level of physical conditioning and training of the contestants.

(b) A licensed organization shall, after a match, contest, or exhibition authorized and governed by the organization, file with the commission a written report that includes the

1 number of tickets sold, the amount of gross receipts, the amount of sales tax to be paid to
2 the Department of Revenue, and any other facts the commission may require. Such written
3 report shall be postmarked within 72 hours after the conclusion of the match, contest, or
4 exhibition.

5 43-4B-53.

6 (a) An organization shall not be eligible for licensure or exemption from licensure in
7 accordance with this article if an officer, principal, manager, partner, owner, member,
8 shareholder, trustee, or director of the organization has been convicted of a felony
9 involving moral turpitude within ten years of the date the organization applied for a license
10 or exemption.

11 (b) It shall be a misdemeanor for an officer, principal, manager, partner, owner, member,
12 shareholder, trustee, or director of a licensed organization to receive compensation for
13 services relating to a match, contest, or exhibition authorized or governed by the licensed
14 organization.

15 43-4B-54.

16 (a) The commission is authorized to suspend, revoke, or deny a license or renewal of a
17 license of an organization for violation of this article or rules of the commission
18 promulgated in accordance with this article. The commission is authorized to fine a
19 licensed organization for violation of this article or rules of the commission promulgated
20 in accordance with this article, and to require a licensed organization that has violated this
21 article or rules promulgated in accordance with this article to accept oversight services
22 from the commission for succeeding matches, contests, and exhibitions, and to require such
23 a licensed organization to compensate the commission for such required oversight services.

24 (b) The commission is authorized to suspend, revoke, or deny issuance of a permit for a
25 match, contest, or exhibition issued in accordance with this article in the interest of the
26 safety or health of the competitors or public, or for violation of this article or rules of the
27 commission promulgated in accordance with this article.

28 43-4B-55.

29 (a) Subject to the restriction set forth in Code Section 43-4B-53, the commission is
30 authorized to exempt organizations from the requirements of licensure and permitting when
31 the commission, in its discretion, deems the matches, contests, and exhibitions authorized
32 or governed by the organization present little or no danger to the health and safety of the
33 competitors and the public.

- 1 (b) In determining whether to exempt an organization from licensure and permitting
2 requirements, the commission shall consider the following factors:
- 3 (1) Whether the matches, contests, and exhibitions are conducted in the course of
4 teaching wrestling or the martial art and are closely supervised by well-trained teachers;
- 5 (2) Whether an admission fee is charged for viewing the matches, contests, or
6 exhibitions;
- 7 (3) Whether the matches, contests, or exhibitions offer a commercial advantage to the
8 organization;
- 9 (4) Whether the matches, contests, or exhibitions are conducted in a manner to minimize
10 the danger of injury;
- 11 (5) Whether the commission's information about previous matches, contests, or
12 exhibitions conducted by the organization indicate that the matches, contests, or
13 exhibitions are likely to result in injury; and
- 14 (6) Other factors deemed by the commission as indicia of danger to health or safety and
15 set out in rules promulgated by the commission."

16 **SECTION 8.**

17 All laws and parts of laws in conflict with this Act are repealed.