

Committee on Regulated Industries

CS/CS/HB 773 — Pugilistic Exhibitions

by Regulatory Affairs Committee; Business and Professional Regulation Subcommittee; and Rep. Hutson and others (CS/SB 810 by Regulated Industries Committee and Senator Galvano)

The bill relates to pugilistic exhibitions, such as boxing, kickboxing, and the martial arts, which are regulated by the Florida Boxing Commission within the Department of Business and Professional Regulation under ch. 548, F.S.

The bill provides a \$111,000 appropriation in recurring funds from the General Revenue Fund to the department for the implementation by the Florida Boxing Commission of this act during the 2014-2015 fiscal year.

The bill repeals the concessionaire license requirement and eliminates requirements for concessionaires to report and pay taxes. It also repeals the license and tax reporting requirements for persons who have the right to telecast matches. It also repeals the license requirement for co-promoters.

The bill limits the amount of taxes that promoters' must report and pay based on 5 percent tax on gross receipts, including gross receipts derived from the gross price charged for the sale of broadcasting, television and motion picture rights, to a maximum of \$40,000 for a single event.

The bill also deletes the requirement that promoters report and pay the 5 percent tax on gross receipts based on the portion of the receipts from the sale of souvenirs, programs, and other concessions received by the promoter.

The bill also:

- Revises current definitions and defines new terms;
- Clarifies the duties and responsibilities of the executive director of the commission;
- Deletes a duplicative requirement that the commission must electronically record all of its scheduled proceedings;
- Authorizes the commission to approve, suspend, or revoke its approval of amateur sanctioning organizations for mixed martial arts matches;
- Exempts several types of matches from regulation by the state, including amateur matches conducted by public postsecondary institutions, public secondary schools and the Florida National Guard and U.S. Armed Forces, and matches conducted by the International Olympic Committee, the Special Olympics, or the Junior Olympics, and professional or amateur martial arts activity;
- Provides that a participant's failure or refusal to provide a urine sample upon request results in the license being immediately suspended, and such failure is grounds for additional disciplinary action;
- Provides the commission's hearings related to the withholding of purses must be held pursuant to ch. 120, F.S., the Administrative Procedures Act;

- Permits promoters to deduct the face value of complimentary tickets issued, provided or given from the calculation of the tax on gross receipts. The promoters may deduct complimentary tickets, up to 5 percent of the seating designated for the match, from the calculation of gross receipts;
- Permits promoters to not include the face value of complimentary tickets, when calculating the gross receipts tax, for more than 5 percent of the seats designated for the match if the promoter obtains written authorization from the commission or the executive director, or his or her designee;
- Permits complimentary tickets that are provided to reserve or active members of the United States Armed Forces and the National Guard, military veterans, and not for profit organizations persons, would not be included in the calculation of the gross receipts tax if authorized by the commission;
- Requires promoters to keep specified records for one year;
- Requires audits to verify compliance with promoter reporting requirements;
- Requires the commission to establish by rule the procedure for auditing a promoter's records, for resolving any inconsistencies revealed in an audit, and for imposing late fees if taxes are owed; and
- Provides the procedure for emergency license suspensions and requires the general counsel of the department to review the grounds for emergency suspension orders and to file an administrative complaint against the licensee within 21 days after issuance of the suspension order.

This bill is linked to CS/CS/CS/HB 775, relating to Public Records, by Regulatory Affairs Committee; Government Operations Subcommittee; Business and Professional Regulation Subcommittee; and Rep. Hutson (CS/CS/SB 808 by Governmental Oversight and Accountability Committee; Regulated Industries Committee; and Senator Galvano).

If approved by the Governor, these provisions take effect July 1, 2014.

Vote: Senate 37-0; House 118-0