LFC Requester:	Noah Montano
LI C Nequester.	140an Muntano

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 3-2-2025 *Check all that apply:* **Bill Number:** HB 444 Original __ Correction __

Amendment __ Substitute _X

Agency Name Reps. Art De La Cruz, Antonio

Regulation and Licensing and Code

Department - 420 Number:

Sponsor: Maestas Transfer Athletic Commission Short **Person Writing** Jen Rodriguez

Title: Authority **Phone:** 505-795-3250 **Email** Jen.rodriguez@rld.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring	Fund	
FY25	FY26	or Nonrecurring	Affected	
N/A	200.0	Nonrecurring	Professional Athletic Competition Fund	

⁽Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring	Fund
FY25	FY26	FY27	or Nonrecurring	Affected
N/A	N/A	N/A	N/A	N/A

⁽Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	40.0*	N/A	40.0*	Nonrecurring	Athletic Commission Fund

^{*} See "Fiscal Implications" section, below.

^{*} The appropriation in Section 21 references the hiring of two full-time employees, but does not indicate that the fund will be recurring after FY26.

SECTION III: NARRATIVE

BILL SUMMARY

<u>Synopsis:</u> House Government, Elections and Indian Affairs Committee Substitute for House Bill 444 (HGEIC Sub. HB444)

HGEIC Sub. HB444 continues to significantly overhaul the Professional Athletic Competition Act, §§ 60-2A-1 to -36, NMSA 1978 (Act) as had been the case with the original HB444, but makes a number of significant amendments that had been discussed with the Regulation and Licensing Department (RLD) prior to the bill being heard in the House Government, Elections and Indian Affairs Committee, and the committee substitute bill reflects the amendments to the original bill that had been contemplated at the time the RLD's original fiscal impact analysis was submitted on February 18, 2025.

HGEIC Sub. HB444 transfers all authority for licensing decisions under the Act to the New Mexico Regulation and Licensing Department (RLD), while retaining authority under the Athletic Commission (Commission) concerning the sanctioning of professional athletic competitions involving unarmed combat (i.e. boxing, martial arts, etc.) and keeping Commission members involved in developing standards and requirements for unarmed combat competitions.

Description by Bill Sections:

Section 1 amends § 60-2A-2, "Definitions" of the Act, removing the definition of "board" as the medical advisory board which is eliminated from the Act. Further, it defines "event coordinator" as a person who oversees the detailed requirements of the Act on behalf the promoter before, during and after the exhibition. It also provides a definition for "sanctioning organization" and "technical zone."

Section 2 amends § 60-2A-3, "Commission Created; Terms; Restrictions" of the Act, changing the composition of the commission from five (5) members to a new seven (7) member commission. Under the current structure of the Commission three (3) members must have experience in professional sports and two (2) members are from the public at-large. Under the new seven (7) member Commission, two (2) members must have experience promoting or participating in sporting events, one (1) member must be an attorney, one (1) member a licensed medical professional, and three (3) members will be from the public. HGEIC Sub. HB444 requires that no more than four (4) Commission members can be from the same political party. HGEIC Sub. HB444 removes the prohibition on Commission members promoting or sponsoring professional contests or having financial interests in such promotions.

Section 3 amends § 60-2A-4, "Chair(man) Rules" of the Act, replacing "chairman" with "chair," and allows the Commission to promulgate rules to be adopted by the RLD. Those rules will include the qualifications for licensees but is less prescriptive on the details required for each event. It also removes the requirement for the Commission to prepare all forms of contracts between sponsors, licensees, promoters, and contestants, and allows the omission to establish committees to help the Commission fulfill its duties.

Section 4 amends § 60-2A-8.2, "Jurisdiction of Commission..." of the Act transferring jurisdiction over unarmed combat contests from the Commission to the RLD. It allows the Commission to approve sanctioning organizations who then report the results of all contests and exhibitions sanctioned by the sanctioning organization.

Section 5 amends § 60-2A-9, "Licenses to Conduct Professional Contests" of the Act transferring the authority to issue licenses to conduct professional contests from the Commission to the RLD.

Section 6 amends § 60-2A-10, "Licenses for Promoters, Boxers; Trainers Ring Officials and Others" of the Act moving the authority to license promoters, fighters, trainers, ring officials, referees, and others from the Commission to the RLD.

Section 7 amends § 60-2A-11, "Licenses for Physicians" of the Act moving the authority to issue licenses to physicians from the Commission to the RLD. Physicians will no longer officiate a contest but will monitor and evaluate participants and confer with the referee.

Section 8 amends § 60-2A-12, "Fees" of the Act removing "commission" from the statement that an unarmed combatant may be licensed in one category while keeping their amateur status in another category.

Section 9 amends § 60-2A-13, "Real Party in Interest" of the Act, transferring the authority to ensure the promoter is the real party in interest from the Commission to the RLD.

Sections 10 and 11 amend § 60-2A-14, "Suspension; Revocation of Licenses", and § 60-2A-15, "Subpoena Power" of the Act. The authority to suspend or revoke licenses and to issue subpoenas is transferred from the Commission to the RLD and the requirement in current law that a majority vote of the Commission is required to revoke a license is removed.

[NOTE 1: HGEIC Sub. HB444 changes to the original bill to clarify throughout the bill that the RLD will exercise authority over all licensing functions under the Act, as opposed to the Commission, which would include transferring the authority over suspensions or revocations of licenses and the authority to issue subpoenas regarding licensing matters to the RLD.]

Section 12 amends § 60-2A-19, "Withholding of Purse" moving the authority to order the withholding of a purse from the commission to the RLD or its executive secretary.

Section 13 amends § 60-2A-20, concerning weigh-ins and professional contests will be attended by the executive secretary or a member of the Commission. New language is added to specify that the executive secretary shall see that the provisions of the Act and rules are strictly enforced, in consultation with an assigned commissioner. A new paragraph C is added to § 60-2A-20 specifying: "The commissioners present at a fight shall have no authority during the event and shall not enter the technical zone."

[NOTE 2: Section 1 of HGEIC Sub. HB444 adds a new definition for "technical zone" to the Act, meaning "the area between the ring apron and the first row of seats."]

Section 14 amends § 60-2A-21, "Length of professional contests, rounds" changing the length of professional boxing contests, reducing the maximum number of rounds from fifteen (15) to twelve (12). Each round is limited to three (3) minutes, with a one (1) minute rest period between rounds.

Section 15 amends § 60-2A-24, "Athletic Commission Fund" eliminates the words reading "the regulatory fee on promotions and of the supervisory fee on closed circuit television or motion pictures, together with any" from the statutory requirement to deposit the proceeds from fees authorized by the Act are to be deposited to the Athletic Commission Fund. The effect of this change is to simplify the statute to require that the proceeds of "the license fees or other fees

authorized pursuant to the Professional Athletic Competition Act" shall be deposited to the Athletic Commission Fund.

Section 16 makes grammatical corrections to § 60-2A-29, "Penalty" but makes no substantive changes.

Section 17, amends § 60-2A-31, "Boxing headgear required when under fifteen years of age," removing the penalty for permitting, promoting, or sponsoring a person under fifteen (15) years old to box without protective headgear, allowing the penalty to be the same as it is for other violations of the Act.

[NOTE 3: Current law makes this offense a petty misdemeanor; the change made will result in the penalty being a full misdemeanor.]

Section 18 corrects some statutory language in § 60-2A-32, "Protective Headgear Required in all Amateur Boxing" but makes no substantive changes.

Section 19 of HGEIC Sub. HB444 amends § 60-2A-32, "Unlicensed Activity, Disciplinary Proceedings; Civil Penalty" to transfer the authority to impose civil penalties for unlicensed activity from the medical board to the RLD.

Section 20 corrects some statutory language in § 60-2A-36, "Professional Boxing State Champions and Ranked Contenders" but makes no substantive changes.

Section 21 appropriates \$200,000 from the General Fund to the RLD for fiscal year 2026. This funding is intended to support two (2) full-time employees who will administer the Act. Any unspent or uncommitted funds remaining at the end of fiscal year 2026 will revert to the General Fund.

Section 22 repeals §60-2A-7, "Medical Advisory Board," § 60-2A-23, "Regulatory Fees on Promotions," and §§ 60-2A-25 through 60-2A-28, all addressing fees.

Effective date of HGEIC Sub. HB444 is June 20, 2025.

FISCAL IMPLICATIONS

Currently, applications for licenses issued pursuant to the Professional Athletic Competition Act are completed on paper. An estimated forty thousand dollars (\$40,000) would be required to move these licensing application and tracking functions online into the Regulation and Licensing Department's NM-Plus electronic licensing system.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS

HGEIC Sub. HB444 includes the amendments to the original bill that were discussed/anticipated in the RLD's fiscal impact analysis submitted for the original bill.