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FISCAL IMPACT REPORT

ORIGINAL DATE 02/13/13

SPONSOR Maestas LAST UPDATED _____ HB 422

SHORT TITLE Professional Athletic Competition Act Change SB _____

ANALYST Martinez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of Bill

House Bill 422 changes the Professional Athletic Competition Act to the Unarmed Combat Competition Act. In every appearance within the act this bill strikes ~~professional~~ and replaces with unarmed to include amateur athletes. Section 19 (Length of Unarmed Contests Rounds) has been amended to state mixed martial arts unarmed contests have an exception in length of contest: shall be no longer than five rounds in length, and each round shall not exceed five minutes in length. Also, this bill will allow additional authority to the New Mexico Athletic Commission for denial, suspension or revocation of licenses by adding more stringent regulations. Specifically, the bill adds language Section 13 to now allow the commission to deny, suspend, or revoke licensees if:

- (5) is guilty of fraud, deceit or misrepresentation in procuring or attempting to procure a license;
- (6) has been adjudicated as mentally incompetent by the medical advisory board or a qualified medical professional;
- (7) has been convicted of a felony;
- (8) is unfit to participate in an unarmed contest due to a physical or mental condition;

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- (9) has had a license denied, suspended or revoked in any jurisdiction, territory or possession of the United States or another country, as conclusively shown by a certified copy of the record showing the denial, suspension or revocation from the jurisdiction, territory or possession of the United States or other country; or
- (10) is guilty of violating a provision of the Unarmed Combat Competition Act or any rule promulgated by the commission pursuant to the Unarmed Combat Competition Act.

Continued in Section 13 additional language is added to allow “The commission may suspend a license without holding a hearing; provided that the licensee is notified of the suspension and is given an opportunity for a post suspension, license-reinstatement hearing. The commission may delegate authority to suspend a license at any unarmed contest to a single commissioner or the chair of the commission. All disciplinary actions shall be governed by the rules promulgated by the commission.”

House Bill 422 will increase the minimum amount of the surety bond a promoter must have in order to promote an unarmed combat contest from two thousand dollars (\$2,000) to ten thousand dollars (\$10,000).

House Bill 422 also amends the act in reference to the commission’s board members stating “any member who fails to attend three consecutive meetings after receiving proper notice of the meetings shall be automatically removed from the commission unless the member's absences are excused pursuant to applicable rules.”

License Fees have not increased but amended to better identify the athletes as unarmed combatants. Yet a fifty dollar (\$50.00) fee has now been added “from every person who submits an application for a state or federal identification license.” House Bill 422 now states that “money in the fund shall be expended upon warrants drawn by the secretary of finance and administration pursuant to vouchers signed by the chair of the commission.

FISCAL IMPLICATIONS

No Fiscal Impact

SIGNIFICANT ISSUES

The RLD Comments:

Currently the Professional Athletic Competition Act grants the Commission authority to regulate Professional Boxing, Professional Wrestling, Professional Mixed Martial Arts and Amateur Mixed Martial Arts, however the act references Professional contests. With the change to Unarmed Combat the act will include all participants of unarmed contests, including amateurs.

By adding the addition authority to deny, suspend or revoke a license the Commission will be able to better protect the unarmed combatant and any members of the public attending the contest. Currently, the commission may only revoke or suspend a license for limited reasons.

By increasing the minimum amount for the surety bond and insurance the Commission will ensure that all participants are protected and paid.

ADMINISTRATIVE IMPLICATIONS

With the clarification of the act the staff will be able to assist promoters, unarmed combatants and the public to understand the rules and requirements.

RM/blm