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FIRST REPRINT

A.B. 476

## ASSEMBLY BILL NO. 476—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 23, 2015

Referred to Committee on Ways and Means

SUMMARY—Revises provisions relating to unarmed combat.  
(BDR 41-1172)FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Executive Budget.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to unarmed combat; requiring the Nevada Athletic Commission to perform drug testing of amateur and professional unarmed combatants; requiring the Governor to designate a member of the Commission as Chair of the Commission; increasing the percentage of the total gross receipts from admission fees to a live contest or exhibition of unarmed combat required to be paid by a promoter as part of a license fee; requiring a portion of such percentage to be deposited with the State Treasurer for credit to the Athletic Commission's Agency Account; eliminating certain license fees; granting certain authority to the Chair of the Commission; revising provisions concerning disciplinary action taken by the Commission; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law requires the members of the Nevada Athletic Commission to elect a member as Chair of the Commission. (NRS 467.030) **Section 1.5** of this bill instead: (1) requires the Governor to designate a member of the Commission as Chair of the Commission; and (2) provides that the designation as Chair lasts for 2 years, unless revoked by the Governor. **Section 3.3** of this bill grants certain authority to the Chair, including the authority to issue subpoenas and administer oaths.

Existing law requires a person who charges and receives an admission fee for exhibiting any live contest or exhibition of unarmed combat on a closed-circuit telecast or motion picture to pay a license fee of 4 cents for each \$1 or fraction thereof received for admission, based on the face value of all tickets sold and



\* A B 4 7 6 R 1 \*

complimentary tickets issued. (NRS 467.104) **Section 2.5** of this bill provides that complimentary tickets are not included in the calculation of the license fee.

Existing law also requires every promoter, which is a person who produces or stages any professional contest or exhibition of unarmed combat, to pay a license fee. Part of the license fee is calculated as 6 percent of the total gross receipts from admission fees to a live contest or exhibition of unarmed combat, exclusive of any tax. (NRS 467.107) **Section 3** of this bill increases this percentage of the total gross receipts from admission fees for purposes of calculating the license fee to 8 percent. **Section 3** provides that complimentary tickets and tickets given to charitable organizations are not included in the total gross receipts from admission fees used to calculate such a license fee under certain circumstances. **Section 3** also requires that one-fourth of that 8 percent be deposited with the State Treasurer for credit to the Athletic Commission's Agency Account. Additionally, **section 3** provides that a promoter is entitled to receive a credit against the license fee in an amount equal to the amount paid by the promoter to the Commission or to an organization sanctioned by the Commission to administer a drug testing program for unarmed combatants. Finally, **section 3** eliminates the requirement to pay a fee based upon the gross receipts from the sale, lease or other exploitation of broadcasting, television and motion picture rights, and **section 3.9** of this bill accordingly repeals the requirement to file copies of all contracts relating to television rights for a contest or exhibition of unarmed combat.

Existing law authorizes the Commission to take disciplinary action and impose penalties against persons for violating the provisions of chapter 467 of NRS. (NRS 467.110, 467.117, 467.157, 467.158) **Section 3.5** of this bill authorizes the Commission, in addition to any other disciplinary action taken against a person, to impose a ban from participation in unarmed combat in this State for a certain period, including a lifetime ban from participation in unarmed combat in this State. **Section 3.5** also provides that the authority of the Commission to take disciplinary action against a person must not be construed to be limited to those persons who are licensed by the Commission. Such authority extends to any person involved in or associated with unarmed combat in this State who violates any provision of chapter 467 of NRS.

Additionally, existing law requires the Commission to use certain money collected from promoters for certain specified purposes. (NRS 467.108) **Section 1** of this bill requires the Commission to perform drug testing of amateur and professional unarmed combatants, and **section 3.1** of this bill provides that one of the purposes for which such money must be used is to perform such drug testing.

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 467 of NRS is hereby amended by adding thereto a new section to read as follows:

*The Commission shall perform drug testing of amateur and professional unarmed combatants. Such drug testing may take place at any time, including, without limitation, during any period of training.*

**Sec. 1.5.** NRS 467.030 is hereby amended to read as follows:  
467.030 1. The ~~members~~ *Governor shall designate a member* of the Commission ~~[shall elect one of their number]~~ as



Chair of the Commission. *The designation as Chair lasts for 2 years, unless revoked by the Governor.*

2. The Commission may purchase and use a seal.

3. The Commission may adopt regulations for the administration of this chapter. The regulations must include:

(a) Number and qualifications of ring officials required at any exhibition or contest.

(b) Procedures for obtaining fingerprints pursuant to NRS 467.100 to investigate the criminal history of all ring officials and employees of the Commission and any other applicant the Commission wishes to investigate.

(c) Powers, duties and compensation of ring officials.

(d) Qualifications of licensees.

4. The Commission shall prepare all forms of contracts between sponsors, licensees, promoters and contestants.

**Sec. 2.** NRS 467.040 is hereby amended to read as follows:

467.040 1. The Commission may employ an Executive Director, who must not be a member of the Commission.

2. Except as provided in NRS 467.080, *subsection 2 of NRS 467.107* and *NRS 467.135*, all money received by the Executive Director or the Commission pursuant to the provisions of this chapter must be deposited with the State Treasurer for credit to the State General Fund.

**Sec. 2.5.** NRS 467.104 is hereby amended to read as follows:

467.104 1. Any person who charges and receives an admission fee for exhibiting any live contest or exhibition of unarmed combat on a closed-circuit telecast, or motion picture, shall, within 10 days after the event, furnish to the Commission a verified written report on a form which is supplied by the Commission, showing the number of tickets sold and issued or sold or issued, and the gross receipts therefor without any deductions.

2. That person shall also, not later than 20 days after the exhibition, pay to the Commission a license fee, exclusive of federal taxes thereon, of 4 cents for each \$1 or fraction thereof received for admission at the exhibition. The license fee applies uniformly at the same rate to all persons subject to it. The license fee must be based on the face value of all tickets sold. ~~and complimentary tickets issued.~~

**Sec. 3.** NRS 467.107 is hereby amended to read as follows:

467.107 1. In addition to the payment of any other fees and money due under this chapter, every promoter, except as provided in subsection ~~[2.]~~ 3, shall pay a license fee of ~~£~~:

~~(a) Six~~ 8 percent of the total gross receipts from admission fees to the live contest or exhibition of unarmed combat, exclusive of



any federal tax or tax imposed by any political subdivision of this state, ~~[-] and~~

~~—(b) Three percent of the first \$1,000,000, and 1 percent of the next \$2,000,000, of the total gross receipts from the sale, lease or other exploitation of broadcasting, television and motion picture rights for that contest or exhibition;~~

~~[-]~~ without any deductions for commissions, brokerage fees, distribution fees, advertising, contestants' purses or any other expenses or charges.

2. *One-fourth of the total gross receipts from admission fees collected pursuant to subsection 1 must be deposited with the State Treasurer for credit to the Athletic Commission's Agency Account created by NRS 467.080.*

3. A corporation organized pursuant to NRS 81.550 to 81.660, inclusive, which promotes an amateur contest or exhibition of unarmed combat whose net proceeds are to be spent entirely in this state, for the purposes for which the corporation is organized, is exempt from the fees payable under this section. The corporation must retain the services of a promoter licensed pursuant to this chapter.

~~[-]~~ 4. *A promoter is entitled to receive a credit against the license fee imposed by this section in an amount equal to the amount paid by the promoter to the Commission or to an organization sanctioned by the Commission to administer a drug testing program for unarmed combatants, subject to regulations adopted pursuant to subsection 5.*

5. The Commission shall adopt regulations ~~[-]~~ governing:

(a) ~~[-] Requiring that the number and face value of all complimentary tickets be reported.~~

~~—(b) Governing the~~ *The* treatment of complimentary tickets for the purposes of computing gross receipts from admission fees under ~~[-] paragraph (a) of~~ subsection 1.

*(b) Credits against the license fee imposed by this section.*

*(c) The sanctioning of organizations to administer a drug testing program for unarmed combatants pursuant to subsection 4.*

6. *Except as otherwise provided in subsection 7, for the purpose of calculating the license fee imposed by this section, "gross receipts" does not include complimentary tickets or tickets provided to a charitable organization. As used in this subsection, "charitable organization" means a person that the Secretary of the Treasury has determined to be tax exempt pursuant to the provisions of section 501(c)(3) of the Internal Revenue Code of 1986, 26 U.S.C. § 501(c)(3).*



7. *If a promoter issues complimentary tickets for more than 8 percent of the seats in the house for a live contest or exhibition of unarmed combat, the value of the complimentary tickets exceeding 8 percent of the seats in the house must be included in the calculation of the license fee imposed by this section.*

**Sec. 3.1.** NRS 467.108 is hereby amended to read as follows:

467.108 1. Except as otherwise provided in subsection 2, in addition to the payment of any other fees or taxes required by this chapter, a promoter shall pay to the Commission a fee of \$1.00 for each ticket sold for admission to a live professional contest of unarmed combat which is held in this State.

2. In lieu of the fee imposed pursuant to subsection 1, the Executive Director of the Commission may require a promoter to pay to the Commission a fee of \$0.50 for each ticket sold for admission to a live professional contest of unarmed combat which is held in this State if the gross receipts from admission fees to the contest of unarmed combat are less than \$500,000.

3. The money collected pursuant to subsections 1 and 2 must be used by the Commission:

(a) To award grants to organizations which promote amateur contests or exhibitions of unarmed combat in this State;

(b) To perform ~~random~~ drug testing of amateur and professional unarmed combatants ~~[at any time, including, without limitation, during any period of training;]~~ *pursuant to section 1 of this act;* or

(c) For any combination of the purposes described in paragraphs (a) and (b).

4. The Commission shall adopt by regulation:

(a) The manner in which the fees required by subsections 1 and 2 must be paid.

(b) The manner in which applications for grants may be submitted to the Commission.

(c) The standards to be used to award grants to organizations which promote amateur contests or exhibitions of unarmed combat in this State.

**Sec. 3.3.** NRS 467.115 is hereby amended to read as follows:

467.115 1. The *Chair of the* Commission, or a quorum of three members ~~[thereof;]~~ *of the Commission,* may:

(a) Issue subpoenas to require the attendance and testimony of a licensee or other person whom the Commission believes to have information of importance to the Commission;

(b) Issue subpoenas duces tecum to require the production of books and papers by a licensee or other person whom the Commission believes to have books or papers of importance to the Commission;



1 (c) Administer oaths and require testimony under oath;  
2 (d) Appoint hearing examiners who may administer oaths and  
3 receive evidence and testimony under oath; and

4 (e) Pay such transportation and other expenses of witnesses as it  
5 may deem reasonable and proper.

6 2. Service of process or notice required pursuant to this section  
7 must be served in the manner provided for service of process and  
8 notices in civil actions.

9 3. A person making false oath in a matter before the  
10 Commission or a hearing examiner is guilty of perjury which is a  
11 category D felony and shall be punished as provided in  
12 NRS 193.130.

13 **Sec. 3.5.** NRS 467.158 is hereby amended to read as follows:

14 467.158 1. If disciplinary action is taken against a person  
15 pursuant to this chapter and the disciplinary action does not relate to  
16 a contest or exhibition of unarmed combat as provided in subsection  
17 2, the Commission may ~~[-, in lieu of revoking a license,]~~ prescribe a  
18 penalty not to exceed \$250,000.

19 2. If disciplinary action is taken against a person pursuant to  
20 this chapter, including, but not limited to, a hearing for the  
21 revocation of a license, and the disciplinary action relates to:

22 (a) The preparation for a contest or an exhibition of unarmed  
23 combat;

24 (b) The occurrence of a contest or an exhibition of unarmed  
25 combat; or

26 (c) Any other action taken in conjunction with a contest or an  
27 exhibition of unarmed combat,

28 ➡ the Commission may prescribe a penalty pursuant to  
29 subsection 3.

30 3. A penalty prescribed by the Commission pursuant to  
31 subsection 2:

32 (a) Must not exceed \$250,000 or 100 percent of the share of the  
33 purse to which the holder of the license is entitled for the contest or  
34 exhibition, whichever amount is greater; and

35 (b) May be imposed in addition to or in lieu of any other  
36 disciplinary action that is taken against the person by the  
37 Commission.

38 4. *In addition to any other disciplinary action that is taken*  
39 *against a person by the Commission pursuant to this chapter, the*  
40 *Commission may impose a ban from participation in unarmed*  
41 *combat in this State for a certain period, including a lifetime ban*  
42 *from participation in unarmed combat in this State.*

43 5. *The authority of the Commission to take disciplinary*  
44 *action against a person pursuant to this chapter must not be*  
45 *construed to be limited to those persons who are licensed by the*



*Commission. Such authority extends to any person involved in or associated with unarmed combat in this State who violates any provision of this chapter.*

6. If disciplinary action is taken against a person pursuant to this chapter, the Commission may require the person against whom such action is taken to pay the costs of the proceeding, including investigative costs and attorney's fees.

**Sec. 3.7.** NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1A.110, 49.095, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370, 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 130.312, 159.044, 172.075, 172.245, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179A.450, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270, 228.450, 228.495, 228.570, 231.069, 233.190, 237.300, 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020, 241.030, 242.105, 244.264, 244.335, 250.087, 250.130, 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195, 281A.350, 281A.440, 281A.550, 284.4068, 286.110, 287.0438, 289.025, 289.080, 289.387, 293.5002, 293.503, 293.558, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610, 365.138, 366.160, 368A.180, 372A.080, 378.290, 378.300, 379.008, 386.655, 387.626, 387.631, 388.5275, 388.528, 388.5315, 388.750, 391.035, 392.029, 392.147, 392.264, 392.271, 392.652, 392.850, 394.167, 394.1698, 394.447, 394.460, 394.465, 396.3295, 396.405, 396.525, 396.535, 398.403, 408.3885, 408.3886, 412.153, 416.070, 422.290, 422.305, 422A.320, 422A.350, 425.400, 427A.1236, 427A.872, 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 433.534, 433A.360, 439.270, 439.840, 439B.420, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 445A.665, 445B.570, 449.209, 449.245, 449.720, 453.1545, 453.720, 453A.610,





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24 688C.230, 688C.480, 688C.490, 692A.117, 692C.190, 692C.420,  
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26 706.1725, 710.159, 711.600, sections 35, 38 and 41 of chapter 478,  
27 Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of  
28 Nevada 2013 and unless otherwise declared by law to be  
29 confidential, all public books and public records of a governmental  
30 entity must be open at all times during office hours to inspection by  
31 any person, and may be fully copied or an abstract or memorandum  
32 may be prepared from those public books and public records. Any  
33 such copies, abstracts or memoranda may be used to supply the  
34 general public with copies, abstracts or memoranda of the records or  
35 may be used in any other way to the advantage of the governmental  
36 entity or of the general public. This section does not supersede or in  
37 any manner affect the federal laws governing copyrights or enlarge,  
38 diminish or affect in any other manner the rights of a person in any  
39 written book or record which is copyrighted pursuant to federal law.  
40 2. A governmental entity may not reject a book or record  
41 which is copyrighted solely because it is copyrighted.  
42 3. A governmental entity that has legal custody or control of a  
43 public book or record shall not deny a request made pursuant to  
44 subsection 1 to inspect or copy or receive a copy of a public book or  
45 record on the basis that the requested public book or record contains





1 information that is confidential if the governmental entity can  
2 redact, delete, conceal or separate the confidential information from  
3 the information included in the public book or record that is not  
4 otherwise confidential.

5 4. A person may request a copy of a public record in any  
6 medium in which the public record is readily available. An officer,  
7 employee or agent of a governmental entity who has legal custody  
8 or control of a public record:

9 (a) Shall not refuse to provide a copy of that public record in a  
10 readily available medium because the officer, employee or agent has  
11 already prepared or would prefer to provide the copy in a different  
12 medium.

13 (b) Except as otherwise provided in NRS 239.030, shall, upon  
14 request, prepare the copy of the public record and shall not require  
15 the person who has requested the copy to prepare the copy himself  
16 or herself.

17 **Sec. 3.9.** NRS 467.137 is hereby repealed.

18 **Sec. 4.** This act becomes effective upon passage and approval.

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#### TEXT OF REPEALED SECTION

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#### **467.137 Promoter and network to file copy of contracts for television rights; records of accounts and other documents; assessment of fee for license; confidentiality of contract.**

1. A promoter and a broadcasting network for television shall each, at least 72 hours before a contest or exhibition of unarmed combat, or combination of those events is to be held, file with the Commission's Executive Director a copy of all contracts entered into for the sale, lease or other exploitation of television rights for the contest or exhibition.

2. The promoter shall keep detailed records of the accounts and other documents related to the promoter's receipts from the sale, lease or other exploitation on the television rights for a contest or exhibition. The Commission, at any time, may inspect these accounts and documents to determine the amount of the total gross receipts received by the promoter from the television rights.

3. If a promoter or a network fails to comply with the requirements of this section, the Commission may determine the amount of the total gross receipts from the sale, lease or other exploitation of television rights for the contest or exhibition and assess the appropriate license fee pursuant to paragraph (b) of subsection 1 of NRS 467.107.



4. Each contract filed with the Commission pursuant to this section is confidential and is not a public record.

