

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

A Bill

HOUSE BILL 2622

5 By: Representatives Ragland, Mathis
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For An Act To Be Entitled

9 AN ACT CONCERNING ASSESSMENT PAYMENTS TO THE
10 STATE ATHLETIC COMMISSION FOR CERTAIN CLOSED-
11 CIRCUIT BROADCASTS; AND FOR OTHER PURPOSES.
12

Subtitle

13 AN ACT CONCERNING ASSESSMENT PAYMENTS TO
14 THE STATE ATHLETIC COMMISSION FOR
15 CERTAIN CLOSED-CIRCUIT BROADCASTS.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 17-22-101 is amended to read as follows:
22 17-22-101. Definitions.

23 For purposes of this chapter:

24 (1) "Amateur" means a person who has never received nor competed
25 for any purse or other compensation except reimbursement for expenses;

26 (2) "Boxing" means to compete with the fists;

27 (3) "Cable system operator" means any person that makes
28 available or provides to customers a closed-circuit telecast which is pay-
29 per-view, including, but not limited to, any person that provides a closed-
30 circuit telecast as a direct broadcast satellite provider or other
31 multichannel video service provider;

32 (4)(A) "Closed-circuit telecast" means any telecast of a
33 professional or semi-professional match or exhibition in this state that
34 involves wrestling, boxing, kick boxing, or martial arts, separately or in
35 any combination, which is not intended to be available for viewing without
36 the payment of a fee, collected for or based upon each event viewed for the



1 privilege of viewing the telecast.

2 (B) "Closed-circuit telecast" includes, but is not limited
 3 to, pay-per-view telecasts;

4 ~~(3)~~(5) "Commission" means the State Athletic Commission as
 5 provided in § 17-22-201;

6 ~~(4)~~(6) "Exhibition" means any engagement in which the
 7 participants show or display their skills without necessarily striving to
 8 win;

9 ~~(5)~~(7) "Kick boxing" means any form of boxing in which blows are
 10 delivered with the hand and any part of the leg below the hip, including the
 11 foot;

12 ~~(6)~~(8) "Manager" means any person who, directly or indirectly,
 13 controls or administers the wrestling, boxing, kick boxing, or martial arts
 14 affairs of any professional participant of the same;

15 ~~(7)~~(9) "Martial arts" means any discipline where the
 16 participants utilize kicks, punches, blows, strikes, or other techniques,
 17 including, but not limited to, any form of judo, kung fu, karate, and tae
 18 kwon do, or any combination thereof;

19 ~~(8)~~(10) "Match" means any engagement in which the participants
 20 show or display their skills while striving in good faith to win;

21 (11) "Pay-per-view telecasts" means telecasts offered by cable
 22 television companies to subscribers at a cost in addition to the monthly
 23 cable television subscription rate;

24 ~~(9)~~(12) "Person" means any individual, partnership, corporation,
 25 association, or club;

26 ~~(10)~~(13) "Professional" means a person who has received or
 27 competed for any purse or other article of a value greater than fifty dollars
 28 (\$50.00), either for the expenses of training or for participating in any
 29 match or exhibition;

30 ~~(11)~~(14) "Promoter" means any person, club, organization,
 31 corporation, or association, and in the case of a corporate promoter includes
 32 any officer, director, employee, or stockholder thereof who produces,
 33 arranges, or stages any professional boxing, kick boxing, wrestling, or
 34 martial arts match or exhibition;

35 ~~(12)~~(15) "Semi-professional" means a person engaging in an
 36 activity regulated by this chapter for pay or gain but not as a full-time

1 occupation; and

2 ~~(13)~~(16) "State" means the State of Arkansas; and

3 (14)(A) "Telecast promoter" means any promoter that shows or
4 causes to be shown in this state a closed-circuit telecast of any
5 professional boxing event, whether or not the telecast or event originates in
6 this state.

7 (B) "Telecast promoter" shall not include a cable system
8 operator.

9
10 SECTION 2. Arkansas Code Title 17, Chapter 22, Subchapter 3, is
11 amended to add additional sections to read as follows:

12 17-22-307. Closed-circuit telecast permit.

13 (a) Prior to showing a closed-circuit telecast of a professional or
14 semi-professional match or exhibition in this state that involves wrestling,
15 boxing, kick boxing, or martial arts, separately or in any combination, a
16 telecast promoter shall apply for a permit to be issued upon the approval of
17 the State Athletic Commission.

18 (b) The application for a permit shall be on a form provided by the
19 commission and shall contain:

20 (1) The date of the broadcast;

21 (2) The origination address of the broadcast;

22 (3) A statement that the applicant acknowledges responsibility
23 for the payment of an assessment to the commission;

24 (4) The time frame by which the postevent assessment reports
25 shall be filed;

26 (5) The portion of the closed-circuit rights for which the
27 applicant is acknowledging responsibility; and

28 (6) Other information deemed necessary by the commission to
29 carry out the provisions of this chapter.

30 (c)(1) The permit shall be filed at least thirty (30) days prior to
31 the broadcast.

32 (2) There shall be no fee for a permit issued for a closed-
33 circuit telecast.

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35 17-22-308. Assessment payments – Penalties – Cable system operators.

36 (a)(1) A closed-circuit telecast of a professional or semi-

1 professional match or exhibition in this state that involves wrestling,
 2 boxing, kick boxing, or martial arts, separately or in any combination, shall
 3 not be telecast from, in, or into this state except under the auspices of a
 4 telecast promoter licensed in the State of Arkansas by the State Athletic
 5 Commission pursuant to § 17-22-307.

6 (2) The telecast promoter shall be responsible for filing the
 7 appropriate reports with and paying assessments to the commission by the last
 8 business day of each month.

9 (3) When the Arkansas distribution rights for a closed-circuit
 10 telecast to be viewed in this state are in whole owned by, sold to, acquired
 11 by, or held by any person who intends to or subsequently sells or in some
 12 other manner extends the rights in part to another, the person shall be
 13 deemed to be a telecast promoter.

14 (4) The commission may provide by rule for additional licensed
 15 telecast promoters to participate in the distribution rights and share in the
 16 liability for assessments to be paid to the commission.

17 (b) In the case of closed-circuit telecasts other than pay-per-view,
 18 the telecast promoter shall notify the commission of the names and addresses
 19 of all facilities to or through which the closed-circuit telecast will be
 20 shown fourteen (14) days prior to the date of the closed-circuit event and
 21 shall provide daily updates to the commission of any additions and deletions
 22 of facilities.

23 (c)(1) The showing of a closed-circuit telecast either live or on a
 24 delayed basis, whether or not an admission fee is charged, without the
 25 authorization of the licensed telecast promoter is prohibited.

26 (2) The commission shall furnish the names or persons, facility
 27 owners, or operators showing a closed-circuit telecast in violation of this
 28 section to the prosecuting attorney of the county in which the violation
 29 occurred.

30 (d)(1) In the case of facilities at or through which a closed-circuit
 31 telecast is shown other than a cable system operator's pay-per-view
 32 facilities, the telecast promoter shall file with the commission within eight
 33 (8) days after the telecast a written report detailing the name, address,
 34 telephone number, contact person's name, and the details of the payment
 35 arrangement for the right to receive the telecast for each facility to which
 36 the broadcast was transmitted.

1 (2) The report shall be accompanied by an assessment payment
 2 equal to four percent (4%) of the total gross receipts from the broadcast,
 3 excluding any federal, state, or local taxes.

4 (3) The commission may require the owner or operator of the
 5 facility where the telecast was shown to file a report containing information
 6 regarding the amount paid to the telecast promoter for the right to broadcast
 7 the telecast, the quality of the audio and video signal, and any other
 8 information the commission deems appropriate.

9 (e)(1)(A) In the case of a cable system operator's pay-per-view
 10 facilities at or through which a closed-circuit telecast was shown, the cable
 11 system operator shall make an assessment payment to the commission on behalf
 12 of the telecast promoter as provided in subdivision (e)(2) of this section,
 13 excluding any federal, state, or local taxes.

14 (B) Assessment payments shall be made by the last business
 15 day of each month.

16 (2)(A) The cable system operator shall withhold from the
 17 proceeds due to the telecast promoter the four percent (4%) assessment
 18 payment required under this section and remit the assessment to the
 19 commission on behalf of the telecast promoter, less the sum deducted pursuant
 20 to subdivision (e)(2)(B) of this section.

21 (B) The cable system operator shall retain two percent
 22 (2%) of the assessment payment required under subdivision (e)(2)(A) of this
 23 section, not to exceed one thousand dollars (\$1,000) per month, as
 24 compensation for the administrative costs of remitting the assessment to the
 25 commission on behalf of the telecast promoter.

26 (3)(A) The commission shall require the cable system operator to
 27 file reports containing information regarding the number of orders sold, the
 28 price charged for orders, and any other information the commission deems
 29 appropriate.

30 (B) Reports shall be filed by the last business day of
 31 each month.

32 (4)(A) Cable system operators shall not be liable to the
 33 commission for assessment payments.

34 (B) Nothing in this section shall be construed to prevent
 35 a cable system operator from billing its customer for the assessment payment.

36 (5) Upon request, the commission shall provide the telecast

1 promoter with a report detailing the number of orders and the assessment
 2 payment due.

3 (f)(1) A telecast promoter is guilty of a Class B misdemeanor if the
 4 telecast promoter willfully fails, neglects, or refuses to:

5 (A) Make a report;

6 (B) Pay the assessment payment; or

7 (C) Allow the commission to examine the books, papers, and
 8 records of any promotion.

9 (2) Any person, other than a cable system operator, who
 10 willfully fails, neglects, or refuses to remit the assessment as prescribed
 11 by this section is guilty of a Class B misdemeanor.

12 (g) By rule the commission shall establish penalties for the late
 13 payment of assessments or reports and shall prescribe conditions, if any,
 14 under which a fine may be waived.

15 (h)(1) No cable system operator shall be:

16 (A) Prohibited from broadcasting any professional or semi-
 17 professional match or exhibition in this state that involves wrestling,
 18 boxing, kick boxing, martial arts, or any combination thereof for which it
 19 has a contract or other legal obligation to broadcast, regardless of whether
 20 the promoter or distributor is in compliance with the provisions of this
 21 section; or

22 (B) Required as a result of any noncompliance with the
 23 provisions of this section by a promoter or distributor, to modify, delete,
 24 or cancel any programming which it has a contractual or legal obligation to
 25 air.

26 (2) This section shall not apply to any basic or premium channel
 27 programming broadcast on cable television systems within this state but shall
 28 apply only to pay-per-view telecasts.

29
 30 17-22-309. Use of funds by State Athletic Commission.

31 (a) The State Athletic Commission shall apply funds received from
 32 assessment payments under § 17-22-308 to the expenses of the commission,
 33 including, but not limited to, overhead expenses.

34 (b)(1) If additional funds remain after applying the funds to the
 35 expenses of the commission, the commission shall use the funds to award
 36 grants to programs which benefit the youth of the State of Arkansas.

1 (2) The commission shall advertise in a newspaper of statewide
2 circulation that funds remain for the purpose of funding programs which
3 benefit the youth of the State of Arkansas.

4 (3) The commission shall accept applications for grants from any
5 program which benefits the youth of the State of Arkansas.

6 (4) The commission may award a grant not to exceed five thousand
7 dollars (\$5,000) to any organization which:

8 (A) Benefits the youth of the State of Arkansas; and

9 (B) Has applied for a grant.

10 (5) The commission may promulgate rules concerning the award of
11 grants pursuant to this section, including, but not limited to, rules
12 concerning the eligibility for receipt of grants.

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