

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

As Engrossed: H3/30/05

# A Bill

HOUSE BILL 2622

5 By: Representatives Ragland, Mathis  
6  
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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

14 AN ACT CONCERNING ASSESSMENT PAYMENTS TO  
15 THE STATE ATHLETIC COMMISSION FOR  
16 CERTAIN CLOSED-CIRCUIT BROADCASTS.  
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18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
20

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;

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; and

9 (15) "Total gross receipts" means the total amount of fees received  
10 from sales of closed-circuit telecasts.

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

14 17-22-307. Closed-circuit telecast permit.

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

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

22 (1) The date of the broadcast;

23 (2) The origination address of the broadcast;

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

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

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

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

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

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

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1 17-22-308. Assessment payments – Penalties – Cable system operators.

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

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

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

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

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

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

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

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

1 arrangement for the right to receive the telecast for each facility to which  
2 the broadcast was transmitted.

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

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

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

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

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

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

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

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

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

36 (B) Nothing in this section shall be construed to prevent

1 a cable system operator from billing its customer for the assessment payment.

2 (5) Upon request, the commission shall provide the telecast  
3 promoter with a report detailing the number of orders and the assessment  
4 payment due.

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

7 (A) Make a report;

8 (B) Pay the assessment payment; or

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

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

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

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

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

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

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

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32 17-22-309. Use of funds by State Athletic Commission.

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

36 (b)(1) If additional funds remain after applying the funds to the

1 expenses of the commission, the commission shall use the funds to award  
2 grants to programs which benefit the youth of the State of Arkansas.

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

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

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

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

11 (B) Has applied for a grant.

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

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17 */s/ Ragland, et al*  
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