

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control 165 Department or Agency Alabama Athletic Commission

Rule No. 165-X-3-.02

Rule Title: Licenses

         New   X   Amend          Repeal          Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?         NO        

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?         NO        

Is there another, less restrictive method of regulation available that could adequately protect the public?                                 NO        

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree?         NO        

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?         NO        

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?         YES        

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Does the proposed rule have an economic impact?         YES        

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

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Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer                                 Joseph M. Pitt                                

Date           4/14/18          

(DATE FILED)  
(STAMP)

ALABAMA ATHLETIC  
COMMISSION

NOTICE OF INTENDED ACTION

AGENCY NAME:

*Alabama Athletic Commission*

RULE NO. & TITLE:

*165-X-3-.02: Licenses*

INTENDED ACTION:

*Amend the AAC Rules and Regulations.*

SUBSTANCE OF PROPOSED ACTION:

*Adds rules for Temporary Licenses, creates an Amateur Bout Letter of Intent, Removes and Amends late fee requirements, and fixes grammatical errors and audit findings.*

TIME, PLACE, MANNER OF PRESENTING VIEWS:

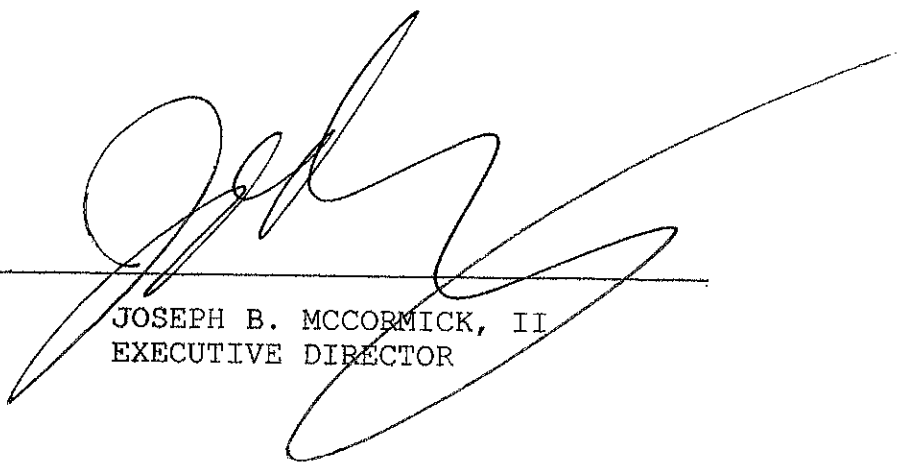
*The Rules Amendment was voted on by the AAC at the Regularly Scheduled Meeting on Friday, April 13, 2018. The amendment passed Unanimously*

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

*June 4, 2018*

CONTACT PERSON AT AGENCY:

*Ashley McGhee  
250 Commerce Street, Suite 9  
Montgomery, AL 36104  
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JOSEPH B. MCCORMICK, II  
EXECUTIVE DIRECTOR

## **165-X-3-.02 Licenses.**

### **(1) Application Procedures.**

(a) **Terms and Agreements.** Every license issued is subject to the terms, conditions, and agreements set forth in the application as well as those set forth in these rules and the Alabama Boxing, Wrestling, and Mixed Martial Arts Act.

(b) **Applications Forms.** Applications for annual license shall be submitted to the Commission on an application form provided by the Commission.

### **(c) Incomplete Applications.**

1. No license or permit shall be issued until the person seeking the license or permit has submitted a complete application.

2. Applications submitted without proper payment as provided in these rules will not be processed or approved.

(d) **Participant Application Due Date.** Except as provided in 165-X-2-.03(a) below, all participant applications must be submitted prior to the first match, contest, or exhibition in which the applicant intends to participate in this state.

1. No official weigh-in will be performed for an unlicensed mixed martial artist unless deemed necessary by the Chief Inspector supervising the event.

2. Licenses shall be issued annually and shall expire on December 31 of each calendar year.

3. Issuing of temporary license. When an application is made in front of the Commission, a temporary license shall be issued to the applicant in the form of a receipt. The issued temporary ID shall expire ninety (90) days from the date it was issued.

4. In addition to the participant's application, each contestant shall complete an Amateur Bout Letter of Intent, declaring they intend to compete for a certain promotion, at a defined weight, against a specific opponent.

(e) **Approval and Denial of Participant Licenses.** Annual licenses for referees, inspectors, physicians, judges, timekeepers, matchmakers, mixed martial artist, managers, trainers and seconds, may be approved or denied by the Commission.

1. Any individual denied a license by the Commission can appeal the denial of the license to the Commission. The appeal will be heard by the Commission at a hearing set by the Commission. At the conclusion of the hearing, the Commission will vote to sustain or overrule the denial.

(f) **Background Investigation.** The Commission shall request general background information of any applicant for any license.

(g) **Denial of License.** The Commission may deny issuing a license to any person who has violated the Alabama Boxing, Wrestling, and Mixed Martial Arts Act, or has violated Commission rules and regulations or violated Commission bylaws or who submits an application containing false statements or material omissions.

(h) **Expiration Date.** Annual licenses are valid until December 31 of the calendar year in which they are issued.

(i) **Verbal or physical abuse of official or commission appointed supervisor.** Any licensee who verbally or physically abuses an official or member of the Commission appointed supervisor of a match, contest, or exhibition shall be summarily suspended and his or her license may be revoked.

(j) **Prohibited Communication with Individual Commissioners.** Anyone wishing to communicate with members of the Commission must notify the executive director of the Commission two (2) weeks prior to the next regularly scheduled meeting. Timely written notices will be added to the meeting's agenda. Any person wishing to address the Commission shall be given the opportunity to do so during the new business section of the next regularly scheduled Commission meeting.

1. Promoters, referees, judges, timekeepers, matchmakers, mixed martial artists, managers, trainers, seconds or their agents, are prohibited from petitioning any individual Commissioner with the intent of affecting the outcome of an application or other issue being actively reviewed or expected to be reviewed by the Commission. Persons who violate this rule shall be subject to disciplinary action.

(k) **Documents.** All documents submitted to the Commission for the purposes of making application or any other purpose shall be property of the Commission.

**(2) License Fees.**

(a) **Application Fee.** All application and renewal fees shall be submitted with the application or renewal. All fees shall be by certified check or money order.

1. **Schedule of Fees.** Annual fees for participant licenses, promoter's licenses, and match permits are as follow:

(i) Amateur mixed martial artists	\$ 25.00
(ii) Judge	\$100.00
(iii) Manager	\$ 75.00
(iv) Application for Match Permit	\$250.00

(v) Match Permit	\$250.00 (Minimum)
(vi) Matchmaker	\$ 75.00
(vii) Promoter	\$250.00
(viii) Referee	\$100.00
(ix) Second	\$ 30.00
(x) Timekeeper	\$100.00
(xi) Trainer	\$ 30.00
(xii) Returned Check	\$ 30.00
(xiii) Late Match Permit Fee Payment	<del>\$ 50.00</del> or 20% of Match Permit Fee (whichever is greater)
(xiv) Announcer	<del>\$ 75.00</del>

2. Application Fees are not refundable. The proposed date of any match, contest, or exhibition disclosed on an open match permit application may be changed without the requirement of an additional fee.

3. All fees shall be paid by cash, certified check, cashier's check, ~~credit card~~, or personal check.

### (3) Licenses Issued By the Commission.

(a) **Promoter's License.** Application for a promoter's license must be made in writing and received by the Commission no less than thirty (30) days in advance of the proposed date for promoting any professional match, contest, or exhibition in this state.

1. Each application for a promoter's license shall be accompanied with ~~a cashier's check or money order cash~~, certified check, cashier's check, or personal check in the amount of \$250.00 and made out to the Commission.

2. Each application for a promoter's license shall be accompanied with an appropriate security bond.

3. Applications for a promoter's license shall be signed in the presence of a Commission representative, or shall be signed in the presence of and verified by a notary public.

4. The promoter shall provide the Commission's executive director a video of the match, contest, or exhibition within thirty (30) days of the match, contest, or exhibition. The video shall be

provided in a format acceptable to the Commission or the Commission's executive director. The Commission reserves the right to change the requested format of the video at any time.

5. Promoters are prohibited from participating in any match, contest, or exhibition that they are promoting without approval from the Commission. Any promoter that is approved to participate in a match, contest, or exhibition must obtain the appropriate participant license from the Commission.

6. Any licensed promoter who partners or joint-ventures with any other person, for the promotion of a mixed martial arts match, contest, or exhibition in this state, shall disclose to the Commission each party's financial responsibility in the partnership or joint-venture. The promoter licensed by the Commission shall be considered the principal promoter of the show and will be solely responsible for all financial obligations incurred in its production. Contracts shall be filed with the Commission delimiting each party's financial responsibility.

7. Any licensed promoter who partners or joint-ventures with any other person, or the promotion of a mixed martial arts match, contest, or exhibition in this state, shall be considered a co-promoter.

8. Co-promoters must obtain a promoters license prior to promoting any professional match, contest, or exhibition in this state.

9. Agreements between the promoter and any other party or co-promoter for payment of any purse will not be honored by the Commission unless the co-promoter or any other party files with the Commission an approved security bond in the amount of the total deferred obligation.

10. Agreements between the promoter and any other party or co-promoter for payment of any regulatory fees, match permit fees, license fees, and or taxes will not be honored by the Commission without prior approval by the Commission and without the co-promoter or other party filing with the Commission an approved security bond or some combination thereof in the amount of the total deferred obligation.

11. Any co-promoter of a mixed martial arts match, contest, or exhibition shall obtain a promoter license from the Commission. There shall be no limitation on the number of days prior to a match, contest or exhibition when a co-promoter's application may be submitted to the Commission, however, the application must be submitted thirty (30) days prior to promoting the match, contest or exhibition.

(i) Rules and requirements shall be the same for co-promoters as for promoters, provided however that the Commission may require from each co-promoter, in addition to the promoter's license bond, a suitable match permit bond or such other financial security as defined by these rules or the Alabama Boxing, Wrestling and Mixed Martial Arts Act.

(ii) Agreements between the co-promoter and the promoter for payment of any purse shall be submitted to the Commission and approved prior to the start of the match, contest, or exhibition.

(iii) Agreements between the co-promoter and the promoter for payment of any fees, and taxes shall be submitted to the Commission and approved prior to the start of the match, contest, or exhibition.

**(b) Match Permit.**

1. Applications for a match permit must be made in writing and received by the Commission at least 30 days in advance of the date for such professional mixed martial arts match, contest, or exhibition. Any licensed promoter who has held a professional mixed martial arts match, contest, or exhibition in the state within the previous twelve months may apply for subsequent match permits no less than 15 days in advance of the proposed date of each subsequent professional mixed martial arts match, contest, or exhibition.

2. Each match permit application shall be accompanied by a non-refundable cashier's check or money order in the amount of \$250.00 and made out to the Commission.

3. A match permit fee will be calculated by the Commission. Match permit fee shall be calculated at five percent (5%) of gross receipts from ticket sales to the mixed martial arts match, contest, or exhibition. For television and broadcasts, match permit fee shall be calculated at three percent (3%) of gross receipts from television and broadcast revenue for the first one million dollars (\$1,000,000) of revenue and one percent (1%) of the next two million (\$2,000,000). Broadcast fees will cap at fifty thousand dollars (\$50,000).

(i) Ticket sales include the face value all tickets, orders, and lots sold for the event, and the fair value or face value of any promotional tickets, orders, and lots sold or provided at no cost.

(ii) The promoter must complete and submit to the Commission a Match Permit Fee Form provided by the Commission at the conclusion of the match, contest, or exhibition. The Commission will calculate the Permit Fee and notify the promoter.

(iii) The promoter shall have thirty (30) days to submit the Permit Fee. ~~Failure to submit the Match Permit Fee or Match Permit Fee Form within thirty (30) days will result in a 20% fee and the Commission shall commence liquidation action against the security bond(s) on file with the Commission. Permit applications and fees not received within thirty (30) days of the planned event may be subject to an additional match permit application and match permit application fee.~~

(iv) Two percent (2%) of tickets may be complimentary and exempt from the match permit fee.

4. Each application for a match permit shall be accompanied with an appropriate security bond as provided for in these rules.

5. Each match permit application should be accompanied with copies of all contracts with all participants and officials, and any other contracts which the promoter has entered into for the match, contest, or exhibition.

6. Applicants for a match permit will be notified of the date, time, and place of documents submitted by the applicant will be reviewed by the Commission.

(i) Applicants or their designated and licensed representative(s) may attend the meeting and answer any questions the Commission has concerning the proposed event.

(ii) The Commission shall notify the applicant that his or her application has been approved or denied within seven (7) days of the Commission's decision.

**(c) Matches, Contests and Exhibitions Benefiting Charity.**

1. A person who wishes to promote a match, contest or exhibition for charitable purposes must file with the Commission a letter of intent to present the match, contest or exhibition as benefiting a charitable organization. The letter of intent must contain the name of the charity, charitable fund, or organization which is to benefit from the match, contest or exhibition and the amount expected to be paid to the charity. The letter of intent must be signed by the promoter and co-signed by an authorized representative of the charity to benefit from the match, contest or exhibition. No match permit shall be issued for a charitable match, contest, or exhibition without full financial disclosure of all promoters and charitable organizations involved, including all contracts and proposals between all licensees, officials, and parties involved.

2. Within three (3) business days after a match, contest, or exhibition benefiting a charitable organization is held, the promoter(s) and benefiting charitable organization(s) shall furnish to the Commission:

(i) A certified copy of the ticket manifest showing the number of tickets sold. The manifest shall give a breakdown disclosing the number of tickets sold in each price range and the number of complimentary tickets given for the match, contest, or exhibition;

(ii) A certified and itemized statement of the match, contest, or exhibition's gross receipts from sponsorships, ticket sales, advertisements, or any other source;

(iii) A statement disclosing the itemized and total gross expenditures in connection with the match, contest, or exhibition;

(iv) A statement co-signed by the promoter and the authorized representative of the Charitable organization, disclosing the net amount paid to the charitable fund or organization

3. If the promoter or charitable organization fails to file any of these statements within the prescribed time, the Commission:

(i) Shall notify the promoter that his or her license is summarily suspended.

(ii) Shall notify the charity of the suspension.



(iii) Shall decline to issue a match permit to the promoter for the holding of any match, contest, or exhibition until the statements are provided.

(iv) Shall decline to issue a match permit to any promoter to hold any future match, contest, or exhibition for the benefit of the charitable organization, until the statements are provided.

(d) **Matchmakers.** Matchmakers applying for licensure shall meet the following requirements:

1. A matchmaker shall demonstrate to the Commission that he or she has experience in matchmaking, and shall produce a list of all fighters that he or she has matched, the promoters who promoted the matches, and the results of the matches.

2. The Commission may contact the persons listed to determine whether the applicant is qualified for licensure.

(e) **Trainers.** Trainers applying for licensure shall meet the following requirements:

1. An applicant shall demonstrate to the Commission that he or she has experience in training mixed martial artists, and shall produce a list of all fighters that he or she has trained, the promoters who promoted the matches, and the results of the matches.

2. The Commission may contact the persons listed to determine whether the applicant is qualified for licensure.

(f) **Seconds.** Seconds applying for licensure shall meet the following requirements:

1. An applicant shall demonstrate to the Commission that he or she has the necessary training to serve as a second, and shall produce a list of all fighters that he or she has served as a second, the promoters who promoted the matches, and the results of the matches.

2. The Commission may contact the persons listed to determine whether the applicant is qualified for licensure.

(g) **Disciplinary Action.**

1. The Commission may revoke, suspend, place on probation or take other disciplinary action against the license of any licensee who has violated any of its rules or regulations or any of the provisions of Code of Ala. 1975, ~~§41-9-2010~~ §41-9-1020 or whose application contains false statements or material omissions.

(i) Any person who has had his or her license revoked by the Commission may not petition for reinstatement or apply for a new license until one (1) year after the revocation.

(h) **Falsifying an Application.** Upon a finding by the majority of the Commission that any licensee or applicant has knowingly made a misleading, deceptive, untrue or fraudulent

representation in regard to a professional match contest or exhibition of mixed martial arts or any document connected therewith or practiced fraud or deceit or intentionally made any false statement in obtaining a license to participate or promote a professional match contest or exhibition of mixed martial arts or made a false statement or deceptive registration with the Commission then the Commission shall have the authority to refuse to grant a license to an applicant, revoke the license of a person licensed by the Commission, or discipline a person licensed by the Commission.

**Authors:** J. Matt Bledsoe, Brandon Owens, Casey Sears, Joseph B. McCormick

**Statutory Authority:** Code of Ala. 1975, §41-9-1020.

**History: New Rule:** Filed March 29, 2010; effective May 3, 2010. **Repealed and New Rule:** Filed December 27, 2013; effective January 31, 2014.