



Members of the Commission

John Frierson, Chairperson
Eugene Hernandez, Vice-Chairperson
VanBuren Lemons, MD
Christopher Giza, MD
Mike Munoz
Brian Edwards
Linda Forster

**CALIFORNIA STATE ATHLETIC COMMISSION
MEETING MINUTES**

Monday, June 4, 2012
10:00 a.m.

Front Street State Building
1320 Front Street, Room B109
San Diego, CA 92101

Commissioners Present

Chairman John Frierson
VanBuren Lemons, MD
Linda Forster

Mike Munoz
Christopher Giza, MD

Commissioners Absent

Vice-Chairman Eugene Hernandez
Brian Edwards

Staff Present

George Dodd, Executive Officer
Anita Scuri, Supervising Staff Counsel, DCA
Michael Santiago, Senior Staff Counsel, DCA

Agenda Item 1 – Call to Order / Roll Call / Pledge of Allegiance

The meeting was called to order and a quorum was present.

Agenda Item 2 – Chairman Opening Remarks

None

Agenda Item 3 – Approval of Minutes

a. February 6, 2012

It was (M) Forster/(S) Lemons/(C) to approve the minutes as corrected.

VOTE: Unanimous

b. April 9, 2012

It was (M) Lemons/(S) Munoz/(C) to approve the minutes as corrected.

VOTE: Unanimous

Agenda Item 4 – Executive Officer's Report

a. Budget Update

Mr. Dodd reported that revenue projections for fiscal year (FY) 2011/2012 have been less than expected, so in order to avoid over spending the budget, he reduced the number of inspectors at events, eliminated temporary office staff, reduced staff travel and is working with staff and inspectors to streamline processes and further reduce spending. He is working closely with the Department of Consumer Affairs' (DCA) budget office to develop a plan to remain solvent through the end of this fiscal year and for FY 2012/2013.

Additionally, Mr. Dodd requested a review, through the DCA and the Dept. of Personnel, of how pay is calculated for athletic inspectors. Currently they are paid for the time it takes to drive to an event venue and back. This adds a substantial amount to what each inspector is paid for working an event. Reducing drive time pay would achieve significant savings.

Dr. Lemons' requested further analysis as to why there has been such a drop in big events being held in California and why the revenue typically generated by those events we did hold, was less than expected.

Ms. Forster questioned why spending continued when it became apparent that revenue was not going to meet expectations. Mr. Dodd explained the difficulty in projecting revenue and that the unpredictability of revenue associated with big events took him somewhat by surprise as events expected to bring in nearly \$80,000, brought in less than \$30,000.

Mr. Dodd answered questions regarding the number of inspectors at each event and the need to go back to using less inspectors as in prior years; how other states pay their inspectors, and the number of inspectors at each event; and ensuring the promoter provides security so inspectors are not expected to perform that duty.

Mr. Dodd reported that he sent a letter to promoters explaining the reduction in inspectors at events and asking for their assistance with venue layout and other issues within their control. Additionally, Mr. Dodd has asked officials to assist where they can

and has requested athletic inspectors to temporarily volunteer at events to help the Commission ensure the health and safety of fighters.

The members directed Mr. Dodd to communicate with them early and often regarding the budget and expressed their unhappiness at finding out about the possible insolvency of the Commission through a letter from the Director of the DCA.

Mr. Dodd agreed and indicated that he would continue to work with the DCA budget office to make more realistic projections and reduce expenditures wherever possible. Mr. Dodd will prepare a response to the letter from the Director which will include a plan for remaining solvent. All members will receive a copy.

b. Status of Regulations

Mr. Dodd reviewed the status of each regulation listed on the summary sheet provided in the meeting packet and referenced that the hearing regarding the Hand Wrap regulations will occur later today as will discussion regarding the next step in the regulatory process for the Therapeutic Use Exemption regulations.

c. Boxer's Pension Fund – Update/Outreach

Mr. Dodd reported that staff gave him a list of all eligible boxers that he will be forwarding to several media sources in hopes that more boxers will be located and paid the funds for which they are entitled.

Mr. Frierson asked Mr. Dodd to contact national Hall of Fame organizations to enlist their services in locating eligible boxers nationwide and in Mexico.

Mr. Frierson asked if any of the members had received information from Raymond James regarding the pension fund. Mr. Munoz explained that he and Mr. Edwards met with the Raymond James representative and reviewed the financial history and found everything in order. He further stated that they found that a large number of boxers are just now coming of age to be eligible to collect.

d. Response to Letter from Senator Current D. Price, Jr.

Mr. Dodd provided a copy of the final draft of the letter written by Drs. Lemons and Giza addressing Senator Price's concerns over recent proposed changes in the Neurological Exam Account and his desire to be involved in future actions.

e. Sunset Review Report Status

Mr. Dodd referred to the draft Sunset Review report provided in the packet and asked for the members to provide staff with input or changes they may have.

Public Comment:

Frank Gonzales Jr., Athletic Inspector, expressed how difficult it is to run an event with a reduced number of athletic inspectors. He described some of the duties that are

performed and reminded the Commission that they are running a business and gathering revenue at each event and reducing the number of inspectors could jeopardize their ability to ensure proper collection of revenue.

Agenda Item 5 – 10:00 a.m. REGULATIONS – PUBLIC HEARING Hand Wraps. (CCR, Title 4, Division 2, Chapter 1, Article 7, section 323)

Dr. Giza opened the hearing at 10:45 a.m. and read instructions and procedures for the hearing process and the giving of public comment.

Anita Scuri explained the recent revisions to the language.

Public Comment:

Frank Gonzales, Jr., Athletic Inspector, asked some clarifying questions regarding the language and wanted to make sure these regulations still require an inspector to sign off on the hand wrap, that the opponent can watch the hand wrap, and that no stacking is being permitted.

Dr. Lemons suggested the language read “cloth” gauze instead of gauze and “cloth or paper” tape instead of “surgical” tape.

It was (M) Munoz/(S) Forster/(C) to delegate to the Executive Officer the authority to adopt the modified regulations which have been further modified at the expiration date of the 15-day comment period if there are no adverse comments

VOTE: Unanimous

Agenda Item 6 – Therapeutic Use Exemption Proposed Regulation (Rule 303.1) – Discussion and/or Action

Mr. Dodd explained that adverse comments were received relating to the part of this regulatory package that establishes a therapeutic use exemption. Therefore, this matter was unable to move forward in the regulatory process and is now before the Commission for consideration of the adverse comments.

Michael Santiago reviewed four (4) possible options including the staff’s recommendation that the Commission separate this regulation into two packages and move forward to 1) adopt the part of the regulation pertaining to asthma medication (Rule 303) as there was no opposition presented; and 2) assigned to an ad hoc committee of the Commission the part of the package that establishes a therapeutic use exemption (303.1) so that further consideration to procedures used by WADA and USADA can be reviewed and possibly incorporated into the language.

It was (M) Munoz /(S) Forster/(C) to adopt the proposed changes to the Rule 303 regarding asthma medication.

VOTE: Unanimous

It was (M) Giza/(S) /(C) to adopt the staff recommendation regarding Rule 303.1 and assign an ad hoc committee to review the regulation considering the WADA and USADA standards.

VOTE: Unanimous

Agenda Item 7 – Public Comment on Items not on the Agenda

None.

Agenda Item 8 – Applicants for Referee and Judge to Appear Before the Commission – Original Application

a. Wade Vierra – MMA Judge

Mr. Vierra summarized his background in MMA and his desire to be a California MMA judge.

Mr. Dodd confirmed that Mr. Vierra meets the minimum requirements for licensure.

It was (M) Munoz/(S) Giza/(C) to grant Mr. Vierra a California MMA judge's license.

VOTE: Unanimous

b. Mark Lawley – MMA Judge/Referee

Mr. Lawley summarized his background in MMA and his desire to be a California MMA judge and referee.

Mr. Dodd confirmed that Mr. Lawley meets the minimum requirements for licensure; however, all of the events he has worked were amateur events. As such, Mr. Dodd recommended Mr. Lawley be issued a temporary license so that he can work with and be evaluated by senior professional officials prior to issuance of a permanent license.

JT Steele, CAMO, spoke in support of licensing Mr. Lawley.

It was (M) Munoz/(S) Giza/(C) to grant Mr. Lawley a temporary judge and referee license and upon favorable evaluations by senior officials, authorize the Executive Officer to issue Mr. Lawley a permanent license.

VOTE: Unanimous

c. David Bell – MMA Judge/Referee

Mr. Bell summarized his background in MMA and his desire to be a California MMA judge.

Mr. Dodd confirmed that Mr. Bell meets the minimum requirements for licensure; however, all of the events he has worked at were amateur events. As such, Mr. Dodd recommended Mr. Bell be issued a temporary license so that he can work with and be evaluated by senior professional officials prior to issuance of a permanent license.

JT Steele, CAMO, spoke in support of licensing Mr. Bell.

It was (M) Munoz/(S) Lemons/(C) to grant Mr. Bell a temporary judge and referee license and upon favorable evaluations by senior officials, authorize the Executive Officer to issue Mr. Bell a permanent license.

VOTE: Unanimous

Agenda Item 9 – New Promoter Applications for Licensure

a. Extreme Fighters World Championship, LLC – David Brock

Mr. Dodd described Mr. Brock's work as a temporary license holder including the fact that at his last event the payment checks bounced and Mr. Brock did not make good on those checks until Mr. Dodd explained that he would be recommending to the Commission the denial of a promoters license. Mr. Dodd recommends that Extreme Fighters World Championship, LLC be denied licensure at this time.

Mr. Jack Fleishli and Mr. David Brock introduced themselves and answered questions from the Commission and addressed the circumstances leading up to the bounced checks. Mr. Fleishli assured the Commission that Mr. Brock began working to attain payment for all participants immediately upon learning that he lacked the necessary funding.

It was (M) Munoz /(S) Giza /(C) to deny issuing a promoter license to Extreme Fighters World Championship, LLC – Mr. Brock.

VOTE: Unanimous

Agenda Item 10 – Appeal License Suspension

a. Thor Skancke – Appealing Fine

Mr. Dodd explained that Mr. Skancke was suspended and fined \$2,500 due to positive drug testing indicating he had an elevated level of testosterone. Mr. Dodd further explained that Mr. Skancke's license had expired and no application was currently pending.

Mr. Santiago explained that Mr. Skancke's suspension was effective May 1, 2011 but his license expired July 18, 2011 and with no application being on file, Mr. Skancke is not under the Commission's jurisdiction at this time. Additionally, Ms. Scuri noted that the time to appeal a fine would have been back in May of 2011, when the fine was issued. Mr. Skancke noted that he did appeal back in May 2011, however, he was unable to appear at the meeting where the hearing was scheduled.

Mr. Frierson was concerned that Mr. Skancke was not informed of the requirement to have filed an application for licensure prior to appearing at this meeting. Mr. Dodd explained that he did not realize that Mr. Skancke would need to have an application on file in order for the Commission to consider his appeal and apologized.

Mr. Skancke explained that he would like to get his license to fight in California renewed and he was here today to ask that his fine be waived or at least reduced. He would then pay whatever was required and be able to fight again in California. He noted that he only makes about \$2,000 a fight and the fine he received was more than he could afford. He is a personal trainer and recognizes that what he did was stupid and he was not here to justify it. He had knee problems and instead of having a surgery he couldn't afford, he took a product he thought would help him get better faster and would be out of his system prior to his next fight; which clearly do not happen and was the reason for the positive drug test. He further explained that he had never before tested positive and accepts full responsibility for what occurred.

Dr. Giza explained to Mr. Skancke that he needs to pay his fine and complete and application for licensure and then come back before the Commission requesting license reinstatement.

Agenda Item 11 – Appeal of License Denial

a. Anthony Figueroa

Mr. Figueroa explained that when he was 13 years old he got hit in the head with a baseball and experienced a brain hemorrhage. He had boxed as a youngster but stopped for a while after that and did not resume until he was 18 years old. He fought 16 -17 times as an amateur and was cleared by a doctor. In 2006, when MMA became legal in California, he got his license and has renewed it every year. In 2007, he was asked to undergo testing and the first doctor would not sign off to allow him to fight so he went to Dr. Gluckman who evaluated him further and signed off allowing him to become licensed in California. He has been fighting professionally since then. When he requested to fight in February, the Commission instructed him to get a new MRI. He did that with Dr. Blumfield in San Jose who explained that state requirements precluded him from signing off on his medical clearance due to the past hemorrhage. Mr. Figueroa is here today to ask the Commission to approve his application to renew his fighter's license and allow him to continue fighting in California as he has done over the last 6 years.

Ms. Scuri noted that Rule 281(c) prohibits any one from being licensed if they have ever suffered a brain hemorrhage; and no provision exists that allow a waiver of the prohibition. She explained that this same language was in existence in 2007. It was unclear how Mr. Figueroa was originally allowed to be licensed.

Given that there is no basis in law to issue a waiver and allow Mr. Figueroa to obtain a fighter's license in California; the Commission was unable to consider overturning the denial.

It was (M) Munoz/(S) Giza /(C) to sustain the denial of Anthony Figueroa's license to fight.

VOTE: 5 – 0 (Lemons abstained).

Agenda Item 12 – Advisory Committee on Medical and Safety Standards - Update

a. Recommendation to Appoint Member(s) to Advisory Committee

Tabled until the Committee meets and a recommendation is determined.

Agenda Item 13 – Legislation – Commission Position Decision

a. AB 2100 (Alejo)

Mr. Dodd announced that this piece of legislation did not make it out of appropriations on time so it is dead. However, he requested the Commission consider taking a position on the bill in case it is attached to another piece of legislation.

Lawrence Epstein, the Executive Vice President and general counsel of Zuffa, LLC (UFC) introduced colleagues from UFC; Lorenzo Fertitta, Owner and CEO; Kirk Hendrick, COO; Marc Ratner, VP of Government and Regulatory Affairs; and fighters Chuck Lyddell, Ronda Rousey and Dominick Cruz.

Mr. Epstein explained the UFC's history in California and acknowledged the successful relationship it has with the California State Athletic Commission. He highlighted the number of events they've held in California and the positive economic impact UFC events have had on the state.

Mr. Epstein explained that AB 2100 threatens the UFC's future in California and went on to describe the components of AB 2100 and their possible impact on UFC and MMA events in California. Mr. Epstein urged the Commission to take an oppose position on this or any similar type of legislations.

The Commission discussed the legislation and agreed to take an oppose position.

It was (M) Lemons/(S) Forster /(C) to oppose AB 2100 or any legislation that is similar to AB 2100.

VOTE: Unanimous

Agenda Item 14 – Neurological Examination Account and Boxer Pension Fund Report to the Legislature

Mr. Dodd explained that the Commission is required to submit a report to the Legislature by July 31, 2012 regarding the status of the Neurological Examination Account and the Boxer's Pension Fund. The report is in the packet for review. Any changes should be forwarded to Mr. Dodd by July 15, 2012.

Agenda Item 15 – Agenda Items and Dates for Future Meetings

Future Agenda Items

- Detailed budget status
- Therapeutic Use Exemption (report from ad hoc committee)

Next regular Commission meetings will be August 8, 2012, in Sacramento and October 8, 2012 in Los Angeles.

Mr. Dodd thanked Ms. Scuri for her many years as the legal counsel for the Commission and for her assisting him to understand the workings of the Commission. On behalf of the Commission, he presented her with a retirement gift.

Dr. Giza thanked her as well, for nurturing him through his green period.

Mr. Frierson reminisced about the many topics they have addressed over the years and wished her the best in her retirement.

The meeting adjourned at approximately 1:30 p.m.