

**DEPARTMENT OF CONSUMER AFFAIRS
CALIFORNIA STATE ATHLETIC COMMISSION**

**INITIAL STATEMENT OF REASONS
NOTICE FILE NUMBER Z-2010-1005-10**

Hearing Date: November 29, 2010

Subject Matter of Proposed Regulations:

(1) Section(s) Affected: Amend Sections 208, 323, and 399, of Title 4, Division 2 Chapter 1, Article 1, 6, and 7 of the California Code of Regulations and Adopt Section 511 of Title 4, Division 2 Chapter 2, Article 2 of the California Code of Regulations.

Specific Purpose of each adoption, amendment, or repeal:

Amend Rule 208: Rule 208 currently requires anyone that submits an application for license to conduct or operate a professional boxing gymnasium to submit with the application an annual license application fee of \$10 and indicates that every such license expires on December 31, 2010.

This proposed amendment would increase the annual application fee to \$100 as well as reflect all such licenses will now expire one year from the date issued.

Factual Basis/Rationale

Due to ongoing budget restrictions, a less than fully staffed commission, an increase in workload, the lack of an automated data base, the resultant overwhelming workload created by work arounds used by the commission to continue providing services, the commission has not issued licenses to conduct or operate a professional boxer's gymnasium and has conducted no annual gymnasium inspections nor provided training to gym owners regarding their respective responsibilities as a licensed gymnasium operator since at least 1999.

The current application fee of \$10.00 to obtain a license to conduct or operate a professional boxer's gymnasium is well below the expenditures the commission would incur to resume gymnasium inspections. For the commission to resume issuing licenses to conduct or operate a professional boxer's gymnasium conduct gymnasium inspections and provide training to the licensee, the commission estimates increasing the application fee to \$100.00 along with implementing gym inspection workload distribution guidelines intended to decrease the overall cost for each gym inspection

would make it feasible.

The workload guidelines would include but not be limited to assigning Inspectors to conduct multiple licensed gym inspections of gyms that are in close proximity of each other, and are located near the respective residence of the assigned Inspector. This approach would decrease the per gym inspections overall costs for travel expenses, per diem, wages etc.

The potential positive impact on any health and safety issue concerns the direct contact between a commission representative and commission licensee's the resumption of issuing such licenses and conducting on site gym inspections would have for our licensed combatants and other commission licensees cannot be measured in dollars and cents.

The direct contact provides an exceptional opportunity to also strengthen the commissions outreach and education objectives by expanding the original purpose of the gym inspection to include specialized training for boxer's, kick boxer's, mixed martial artists, seconds, managers, promoters, judges, referees, ringside physicians, inspector's, lead inspectors, commissioners, commission staff, interested department and elected officials, and other interested parties such as the consumers that attend commission authorized combat sports events.

The proposed expansion will more than likely prove to be the commission's most effective outreach and education delivery system as well as the most cost effective. The commission believes that this approach will result in a better educated licensee and consuming public that will serve only to improve the overall quality of our industries combatants, improve their overall Health & Safety as well as improve the publics understanding of combat sports.

In keeping with current law, the proposed expiration date will reflect all such licenses will now expire one year from the date issued.

Underlying Data

Technical, theoretical or empirical studies or reports relied upon (if any):

Business Impact

This regulation will not have a significant adverse economic impact on businesses. This initial determination is based on the following facts or evidence/documents/testimony:

The amendment language would increase the annual license fee for all such license types by \$90. The potential positive impact on any health and safety issue concerns the direct contact between a commission representative and commission licensee's the resumption of issuing such

licenses and conducting on site gym inspections would have for our licensed combatants cannot be measured in dollars and cents. The direct contact between a commission representative and commission licensees provides an exceptional opportunity to strengthen the commissions outreach and education objectives by expanding the original purpose of the gym inspection to include specialized training for boxer's, kickboxer's, mixed martial artists, seconds, managers, promoters, judges, referees, ringside physicians, inspector's, lead inspectors, commissioners, commission staff, interested department and elected officials, and other interested parties such as the consumers that attend commission authorized combat sports events.

The proposed expansion will more than likely prove to be the commission's most effective outreach and education delivery system as well as the most cost effective. The commission believes that this approach will result in a better educated licensee, staff, officials and public which will serve only to improve the overall quality of our industries combatants, improve their overall Health & Safety as well as improve the publics understanding of combat sports.

Description of alternatives which would lessen any significant adverse impact on business:

No alternatives as there are no significant adverse impact on business.

Specific Technologies or Equipment

This regulation does not mandate the use of specific technologies or equipment.

Consideration of Alternatives

No reasonable alternative to the regulation would be either more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed regulation.

Set forth below are the alternatives which were considered and the reasons each alternative was rejected:

Alternative #1

- Do not resume issuing such licenses, nor conduct inspections of gymnasiums nor train licensee regarding their respective responsibilities as a licensed gymnasium operator.

Reason Alternative #1 Rejected:

- This alternative was rejected in the interest of complying with the mandates required by law to issue such licenses and to improve the commission's overall ability to address any health and safety issues encountered as a result of conducting the inspections of gymnasiums and improving its outreach and educational activities by educating various licensee's and interested parties through specialized training.

Specific Purpose of each adoption, amendment, or repeal:

Amend Rule 323: Rule 323 currently describes the restrictions imposed on the materials used and includes guidelines that must be adhered to when applying bandages to the contestant's hands. Industry experts more commonly refer to the bandages placed on the hands of the combatants as "hand wraps".

This proposed amendment would revise the language to meet the current industry standard in regards to reference (hand wraps); application technique guidelines; increase the amount of surgeons adhesive tape that can be used from 10 yards to 20 yards for each hand; and change some of the language to eliminate confusion caused by the current language used to refer to the materials allowed from bandages, surgeons adhesive tape, soft surgical bandage, and tape to bandages, surgeons adhesive tape, gauze and tape.

Factual Basis/Rationale

The proposed amendment would clarify the hand wrap materials allowed and guidelines to follow when completing a hand wrap. The changes reflect current industry standards.

Underlying Data

Technical, theoretical or empirical studies or reports relied upon (if any):

Association of Boxing Commission hand wrap guidelines and a survey of selected seconds, managers, boxer's and commission enforcement staff that are considered some of best in the industry.

Business Impact

This regulation will not have a significant adverse economic impact on businesses. This initial determination is based on the following facts or evidence/documents/testimony:

The amendment language would eliminate confusion on the part of the contestants, seconds, managers and officials caused by the terminology and guidelines to follow when applying hand wraps currently used in Rule 323. The only cost increase that would only be realized by each contestant that **chooses** to use more than 10 yards of standard adhesive tape and 20 yards of gauze for each hand should the contestant **choose** to use more than 10 yards of adhesive tape and 20 yards of gauze on each hand.

Description of alternatives which would lessen any significant adverse impact on business:

No alternatives as there are no significant adverse impact on business.

Specific Technologies or Equipment

This regulation does not mandate the use of specific technologies or equipment.

Consideration of Alternatives

No reasonable alternative to the regulation would be either more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed regulation.

Set forth below are the alternatives which were considered and the reasons each alternative was rejected:

- None.

Specific Purpose of each adoption, amendment, or repeal:

Amend Rule 399: Currently, Rule 399 delineates procedures the commission must follow when a license is denied or revoked.

This proposed amendment would add language to clarify the requirements that must be used, on a case by case basis, to evaluate an applicant who has been denied an application for a license and states that such applicant may not file a similar application until one year from the date of the last previous denial by the commission.

Factual Basis/Rationale

The proposed amendment would add language to clarify the requirements that must be used, on a case by case basis, to evaluate an applicant who has been denied an application for a license and states that such applicant may not file a similar application until one year from the date of the last previous denial by the commission.

Underlying Data

Technical, theoretical or empirical studies or reports relied upon (if any):

Actual experience of commission staff evaluating a denied licensee's license without the benefit of defined guidelines.

Business Impact

This regulation will not have a significant adverse economic impact on businesses. This initial determination is based on the following facts or evidence/documents/testimony:

The amendment language would eliminate confusion on the part of the licensees that have been denied a license.

Description of alternatives which would lessen any significant adverse impact on business:

No alternatives as there are no significant adverse impact on business.

Specific Technologies or Equipment

This regulation does not mandate the use of specific technologies or equipment.

Consideration of Alternatives

No reasonable alternative to the regulation would be either more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed regulation.

Set forth below are the alternatives which were considered and the reasons each alternative was rejected:

- None.

Specific Purpose of each adoption, amendment, or repeal:

Adopt Rule 511: This proposed adoption of Rule 511 would establish 21 rounds as the minimum and 36 rounds as the maximum number of rounds, except with the approval of the commission for any one program, that a promoter must adhere to when scheduling bouts for an arranged card; would require the promoter to provide a standby bout in the event the card breaks down and it is needed to meet the minimum 21 rounds established by the adoption of the proposed language of Rule 511.

Factual Basis/Rationale

Unlike Rule 242 which establishes a 26 round minimum and a 40 round maximum for any one boxing card, there currently is no rule that specifies the minimum and maximum number of rounds a promoter must adhere to when conducting a mixed martial arts or kickboxing event. The adoption of the proposed Rule 511 would address the need to ensure promoters have minimum and maximum guidelines to follow and the commission inspectors have a rule upon which to rely when approving the number of rounds for a mixed martial arts or kickboxing card.

Underlying Data

Technical, theoretical or empirical studies or reports relied upon (if any):

- Unlike Rule 242 which establishes a 26 round minimum and a 40 round maximum for any one **boxing** card, there currently is no rule that specifies the minimum and maximum number of rounds for any one **mixed martial arts or kickboxing** card a promoter must adhere to when scheduling bouts for a **mixed martial arts or kickboxing** event.

Business Impact

This regulation will not have a significant adverse economic impact on businesses. This initial determination is based on the following facts or evidence/documents/testimony:

- The adoption of Rule 511 would provide a much needed minimum and maximum rounds guideline that would benefit the promoter when scheduling fights for a mixed martial arts and kickboxing events as well as provide a much needed minimum and maximum guidelines the commission inspectors can rely upon when approving the number of rounds for a mixed martial arts or kickboxing card.

Description of alternatives which would lessen any significant adverse impact on business:

No alternatives as there are no significant adverse impact on business.

Specific Technologies or Equipment

This regulation does not mandate the use of specific technologies or equipment.

Consideration of Alternatives

No reasonable alternative to the regulation would be either more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed regulation.

Set forth below are the alternatives which were considered and the reasons each alternative was rejected:

- None.