## A BILL FOR AN ACT

RELATING TO MIXED MARTIAL ARTS CONTESTS.

## BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

| 1  | SECT               | ION 1. Section 440E-7, Hawaii Revised Statutes, is      |
|----|--------------------|---------------------------------------------------------|
| 2  | amended by         | y amending subsection (d) to read as follows:           |
| 3  | "(d)               | In addition to the payment of other fees and moneys     |
| 4  | due under          | this chapter, a licensed promoter shall pay:            |
| 5  | (1)                | For fiscal years 2009-2010 to 2012-2013, a license fee  |
| 6  |                    | of four per cent of the first \$50,000 of the total     |
| 7  |                    | gross receipts and three per cent of the total gross    |
| 8  |                    | receipts over \$50,000 from admission fees to an event, |
| 9  |                    | exclusive of federal, state, and local taxes;           |
| 10 | (2)                | For fiscal years beginning July 1, 2013, a license fee  |
| 11 |                    | that is six per cent of the total gross receipts from   |
| 12 | •                  | admission fees to an event, exclusive of federal,       |
| 13 |                    | state, and local taxes; and                             |
| 14 | [ <del>-(3)-</del> | In addition to the license fees established in          |
| 15 |                    | paragraphs (1) and (2), a licensed promoter shall also  |
| 16 |                    | pay two per cent of the gross sales price for the       |
| 17 |                    | sale, lease, or other exploitation of broadcasting,     |
| 18 | X.                 | television, Internet, and motion picture rights for a   |
|    |                    |                                                         |

| 1  | contest or an event, without any deductions for                                     |  |
|----|-------------------------------------------------------------------------------------|--|
| 2  | commission, brokerage fee, distribution fees,                                       |  |
| 3  | advertising, contestants' purses, or any other                                      |  |
| 4  | expenses or charges, including federal, state, or                                   |  |
| 5  | <del>local taxes; and</del>                                                         |  |
| 6  | (4) Two per cent of the gross receipts from                                         |  |
| 7  | subscription or admission fees, exclusive of federal,                               |  |
| 8  | state, and local taxes, charged for viewing a                                       |  |
| 9  | simultaneous or pay per view telecast of a contest or                               |  |
| 10 | event.                                                                              |  |
| 11 | Payments under this subsection shall be deposited into a                            |  |
| 12 | separate account in the compliance resolution fund and shall be                     |  |
| 13 | used to cover the costs of administering this chapter."                             |  |
| 14 | SECTION 2. Section 440E-11, Hawaii Revised Statutes, is                             |  |
| 15 | amended to read as follows:                                                         |  |
| 16 | "[ $\{\]$ \$440E-11[ $\{\]$ ] Receipts and reports from promoters.                  |  |
| 17 | $\left[\frac{a}{a}\right]$ Within three business days after the conclusion of every |  |
| 18 | contest for which admission fees are charged and received, every                    |  |
| 19 | promoter holding a license to conduct, hold, or give mixed                          |  |
| 20 | martial arts contests, shall furnish to the director a written                      |  |
| 21 | report, duly verified, showing the number of tickets sold for                       |  |
| 22 | the contest, the amount of the gross receipts or proceeds                           |  |
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- 1 thereof, and other matters as the director prescribes in rules
- 2 adopted in accordance with chapter 91.
- 3 [(b) For purposes of this chapter, "gross receipts"
- 4 includes income received from the sale of print, internet,
- 5 broadcasting, television, and motion picture rights.]"
- 6 SECTION 3. Statutory material to be repealed is bracketed
- 7 and stricken. New statutory material is underscored.
- 8 SECTION 4. This Act shall take effect upon its approval.

INTRODUCED BY:

## Report Title:

Mixed Martial Arts Contests; Permits

## Description:

Removes requirement that a mixed martial arts contest promoter pay 2% of gross sales price relating to broadcasting, television, Internet, and motion picture rights in order to receive a permit.

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