

LINDA LINGLE GOVERNOR

JAMES R. AIONA, JR. LT. GOVERNOR

## STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

335 MERCHANT STREET, ROOM 310 P.O. Box 541 HONOLULU, HAWAII 96809 Phone Number: (808) 586-2850

Fax Number: (808) 586-2856 www.hawaii.gov/dcca LAWRENCE M. REIFURTH DIRECTOR

RONALD BOYER
DEPUTY DIRECTOR

## PRESENTATION OF THE PROFESSIONAL & VOCATIONAL LICENSING DIVISION

TO THE HOUSE COMMITTEE ON FINANCE

TWENTY-FIFTH LEGISLATURE Regular Session of 2010

Wednesday, February 24, 2010 12:30 p.m.

TESTIMONY ON HOUSE BILL NO. 2639, H.D. 1, RELATING TO MIXED MARTIAL ARTS.

TO THE HONORABLE MARCUS R. OSHIRO, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Alan Taniguchi, Executive Officer with the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs ("Department"). The Department thanks you for the opportunity to submit testimony on H.B. No. 2639, H.D. 1, Relating to Mixed Martial Arts.

The Department supports amendments to Chapter 440E that would regulate amateur mixed martial arts ("MMA") but does not support the amendments that would reduce or repeal the fees that will be used to fund the regulation of MMA. The Department also does not support the repeal of an experience requirement for the licensure of referees.

The purposes of this bill are to amend the law relating to the regulation of MMA by:

- (1) Requiring the licensure of amateur MMA promoters;
- (2) Allowing the Department to delegate the supervision of amateur MMA to a recognized national amateur MMA organization;
- (3) Requiring all amateur MMA contestants to pass a physical exam performed by a licensed physician;
- (4) Reducing or repealing event fees charged to the MMA promoter; and
- (5) Repealing the experience requirement for the licensure of referees.

The Department supports the first three purposes that regulate amateur promoters. The main purpose of regulation of MMA is to protect the health and safety of the MMA contestant. Currently Chapter 440E, HRS, exempts amateur MMA from regulation. An amateur MMA promoter does not have to provide medical insurance for the contestants, ringside physicians or an ambulance at the event. Contestants are not required to successfully pass a physical exam or provide blood work to anyone for review. Also, while there have been numerous MMA shows since the regulation of MMA took effect in July 2009, only one entity has obtained a MMA promoter's license. All the other MMA promoters claim they are not paying the contestants and are "amateur" promoters and thus exempt from regulation. Although many of these promoters paid the contestants prior to July 2009, it is difficult to prove that they are now not paying contestants. This

bill will close the "loop hole" that is currently being used by promoters to avoid addressing health and safety concerns.

The Department opposes provisions in this bill that reduce or repeal some of the event fees charged to promoters. The Department does not receive general funds to regulate MMA in Hawaii and depends on licensing and other fees to fund the operation. All the funds generated from these fees remain with the MMA program and are not used for other purposes. Event fees, along with MMA licensing fees are the revenues the Department relies upon to ensure the MMA licensing program supports itself, as required by law (Sections 26-9(o), 26H-2(7) HRS). Reduced revenues will cause the MMA program to be under funded.

The Department also opposes the removal of the one year experience requirement for referees. Referees are vital in maintaining the health and safety of the contestants. They are the first line of defense against injury as they have the power to stop a fight at any time. The biggest dilemma for a referee is stopping a fight too early or too late. Experience allows the referee to make the right decision.

Thank you for the opportunity to provide testimony and we ask that you consider removing the provisions that we have cited above as detrimental to the MMA program's ability to be self sufficient as well as detrimental to the health and safety of the contestants.