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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 5224

04/02/2024 Authored by Nelson, M.; Berg; Kozlowski; Hill and Wolgamott The bill was read for the first time and referred to the Committee on Labor and Industry Finance and Policy

1.1 A bill for an act
1.2 relating to labor and industry; modifying combative sports regulations; increasing
1.3 payment threshold from the contractor recovery fund; amending Minnesota Statutes
1.4 2022, sections 326B.89, subdivision 5; 341.28, by adding a subdivision; 341.29;
1.5 Minnesota Statutes 2023 Supplement, sections 341.25; 341.28, subdivision 5;
1.6 341.30, subdivision 4; 341.321; 341.33, by adding a subdivision; 341.355.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. Minnesota Statutes 2022, section 326B.89, subdivision 5, is amended to read:

1.9 Subd. 5. Payment limitations. The commissioner shall not pay compensation from the
1.10 fund to an owner or a lessee in an amount greater than \$75,000 \$100,000 per licensee. The
1.11 commissioner shall not pay compensation from the fund to owners and lessees in an amount
1.12 that totals more than \$550,000 per licensee. The commissioner shall only pay compensation
1.13 from the fund for a final judgment that is based on a contract directly between the licensee
1.14 and the homeowner or lessee that was entered into prior to the cause of action and that
1.15 requires licensure as a residential building contractor or residential remodeler.

1.16 EFFECTIVE DATE. This section is effective July 1, 2024.

1.17 Sec. 2. Minnesota Statutes 2023 Supplement, section 341.25, is amended to read:

1.18 341.25 RULES.

1.19 (a) The commissioner may adopt rules that include standards for the physical examination
1.20 and condition of combatants and referees.

2.1 (b) The commissioner may adopt other rules necessary to carry out the purposes of this
 2.2 chapter, including, but not limited to, the conduct of all combative sport contests and their
 2.3 manner, supervision, time, and place.

2.4 (c) The most recent version of the Unified Rules of Mixed Martial Arts, as promulgated
 2.5 by the Association of Boxing Commissions, is incorporated by reference and made a part
 2.6 of this chapter except as qualified by this chapter and Minnesota Rules, chapter 2202. In
 2.7 the event of a conflict between this chapter and the Unified Rules, this chapter must govern.

2.8 (d) The most recent version of the Unified Rules of Boxing, as promulgated by the
 2.9 Association of Boxing Commissions, is incorporated by reference and made a part of this
 2.10 chapter except as qualified by this chapter and Minnesota Rules, chapter 2201. In the event
 2.11 of a conflict between this chapter and the Unified Rules, this chapter must govern.

2.12 (e) The most recent version of the Unified Rules of Kickboxing and Unified Rules of
 2.13 Muay Thai, as promulgated by the Association of Boxing Commissions, is are incorporated
 2.14 by reference and made a part of this chapter except as qualified by this chapter and any
 2.15 applicable Minnesota Rules. In the event of a conflict between this chapter and ~~the Unified~~
 2.16 Rules those rules, this chapter must govern. If a promoter seeks to hold a kickboxing event
 2.17 governed by a different set of kickboxing rules, the promoter must send the commissioner
 2.18 a copy of the rules under which the proposed bouts will be conducted at least 45 days before
 2.19 the event. The commissioner may approve or deny the use of the alternative rules at the
 2.20 commissioner's discretion. If the alternative rules are approved for an event, this chapter
 2.21 and any applicable Minnesota Rules, except of those incorporating the Unified Rules of
 2.22 Kickboxing and Unified Rules of Muay Thai, must govern if there is a conflict between the
 2.23 rules and Minnesota law.

2.24 Sec. 3. Minnesota Statutes 2023 Supplement, section 341.28, subdivision 5, is amended
 2.25 to read:

2.26 Subd. 5. **Regulatory authority; martial arts and amateur boxing.** (a) Unless this
 2.27 chapter specifically states otherwise, contests or exhibitions for martial arts and amateur
 2.28 boxing are exempt from the requirements of this chapter and officials at these events are
 2.29 not required to be licensed under this chapter.

2.30 (b) Martial arts and amateur boxing contests, unless subject to the exceptions set forth
 2.31 in subdivision 6 or 7, must be regulated by a nationally recognized organization approved
 2.32 by the commissioner. The organization must have a set of written standards, procedures, or
 2.33 rules used to sanction the combative sports it oversees.

3.1 (c) Any regulatory body overseeing a martial arts or amateur boxing event must submit
 3.2 bout results to the commissioner within 72 hours after the event. If the regulatory body
 3.3 issues suspensions, the regulatory body must submit to the commissioner a list of any
 3.4 suspensions resulting from the event within 72 hours after the event. Regulatory bodies that
 3.5 oversee combative sports or martial arts contests under subdivision 6 or 7 are not subject
 3.6 to this paragraph.

3.7 Sec. 4. Minnesota Statutes 2022, section 341.28, is amended by adding a subdivision to
 3.8 read:

3.9 Subd. 7. **Regulatory authority; youth competition.** Combative sports or martial arts
 3.10 contests between individuals under the age of 18 years are exempt from the requirements
 3.11 of this chapter and officials at these events are not required to be licensed under this chapter.
 3.12 A contest under this subdivision must be regulated by (1) a widely recognized organization
 3.13 that regularly oversees youth competition, or (2) a local government.

3.14 Sec. 5. Minnesota Statutes 2022, section 341.29, is amended to read:

3.15 **341.29 JURISDICTION OF COMMISSIONER.**

3.16 The commissioner shall:

3.17 (1) have sole direction, supervision, regulation, control, and jurisdiction over all
 3.18 combative sport contests that are held within this state unless a contest is exempt from the
 3.19 application of this chapter under federal law;

3.20 (2) have sole control, authority, and jurisdiction over all licenses required by this chapter;

3.21 (3) grant a license to an applicant if, in the judgment of the commissioner, the financial
 3.22 responsibility, experience, character, and general fitness of the applicant are consistent with
 3.23 the public interest, ~~convenience, or necessity~~ and in the best interests of combative sports
 3.24 and conforms with this chapter and the commissioner's rules;

3.25 (4) deny, suspend, or revoke a license using the enforcement provisions of section
 3.26 326B.082, except that the licensing reapplication time frames remain within the sole
 3.27 discretion of the commissioner; and

3.28 (5) serve final nonlicensing orders in performing the duties of this chapter which are
 3.29 subject to the contested case procedures provided in sections 14.57 to 14.69.

4.1 Sec. 6. Minnesota Statutes 2023 Supplement, section 341.30, subdivision 4, is amended
4.2 to read:

4.3 Subd. 4. **Prelicensure requirements.** (a) Before the commissioner issues a promoter's
4.4 license to an individual, corporation, or other business entity, the applicant shall complete
4.5 a licensing application on the Office of Combative Sports website or on forms prescribed
4.6 by the commissioner and shall:

4.7 (1) show on the licensing application the owner or owners of the applicant entity and
4.8 the percentage of interest held by each owner holding a 25 percent or more interest in the
4.9 applicant;

4.10 (2) provide the commissioner with a copy of the latest financial statement of the applicant;

4.11 (3) provide proof, where applicable, of authorization to do business in the state of
4.12 Minnesota; and

4.13 (4) deposit with the commissioner a surety bond in an amount set by the commissioner,
4.14 which must not be less than \$10,000. The bond shall be executed in favor of this state and
4.15 shall be conditioned on the faithful performance by the promoter of the promoter's obligations
4.16 under this chapter and the rules adopted under it.

4.17 (b) Before the commissioner issues a license to a combatant, the applicant shall:

4.18 (1) submit to the commissioner the results of current medical examinations on forms
4.19 prescribed by the commissioner that state that the combatant is cleared to participate in a
4.20 combative sport contest. The applicant must undergo and submit the results of the following
4.21 medical examinations, which do not exempt a combatant from the requirements in section
4.22 341.33:

4.23 (i) a physical examination performed by a licensed medical doctor, doctor of osteopathic
4.24 medicine, advance practice nurse practitioner, or a physician assistant. Physical examinations
4.25 are valid for one year from the date of the exam;

4.26 (ii) an ophthalmological examination performed by an ophthalmologist or optometrist
4.27 that includes dilation designed to detect any retinal defects or other damage or a condition
4.28 of the eye that could be aggravated by combative sports. Ophthalmological examinations
4.29 are valid for one year from the date of the exam;

4.30 (iii) blood work results for HBsAg (Hepatitis B surface antigen), HCV (Hepatitis C
4.31 antibody), and HIV. Blood work results are good for one year from the date blood was
4.32 drawn. The commissioner shall not issue a license to an applicant submitting positive test
4.33 results for HBsAg, HCV, or HIV; and

5.1 (iv) other appropriate neurological or physical examinations before any contest, if the
5.2 commissioner determines that the examination is desirable to protect the health of the
5.3 combatant;

5.4 (2) complete a licensing application on the Office of Combative Sports website or on
5.5 forms prescribed by the commissioner; and

5.6 (3) provide proof that the applicant is 18 years of age. Acceptable proof is a photo driver's
5.7 license, state photo identification card, passport, or birth certificate combined with additional
5.8 photo identification.

5.9 (c) Before the commissioner issues an amateur combatant license to an individual, the
5.10 applicant must submit proof of qualifications that includes at a minimum: (1) an applicant's
5.11 prior bout history and evidence showing that the applicant has completed at least six months
5.12 of training in a combative sport; or (2) a letter of recommendation from a coach or trainer.

5.13 (d) Before the commissioner issues a professional combatant license to an individual,
5.14 the applicant must submit proof of qualifications that includes an applicant's prior bout
5.15 history showing the applicant has competed in at least four sanctioned combative sports
5.16 contests. If the applicant has not competed in at least four sanctioned combative sports
5.17 contests, the commissioner may still grant the applicant a license if the applicant provides
5.18 evidence demonstrating that the applicant has sufficient skills and experience in combative
5.19 sports or martial arts to compete as a professional combatant.

5.20 ~~(e)~~ (e) Before the commissioner issues a license to a referee, judge, or timekeeper, the
5.21 applicant must submit proof of qualifications that may include certified training from the
5.22 Association of Boxing Commissions, licensure with other regulatory bodies, professional
5.23 references, or a log of bouts worked.

5.24 ~~(d)~~ (f) Before the commissioner issues a license to a ringside physician, the applicant
5.25 must submit proof that they are licensed to practice medicine in the state of Minnesota and
5.26 in good standing.

5.27 Sec. 7. Minnesota Statutes 2023 Supplement, section 341.321, is amended to read:

5.28 **341.321 FEE SCHEDULE.**

5.29 (a) The fee schedule for professional and amateur licenses issued by the commissioner
5.30 is as follows:

5.31 (1) referees, \$25;

5.32 (2) promoters, \$700;

6.1 (3) judges and knockdown judges, \$25;

6.2 (4) trainers and seconds, \$40;

6.3 (5) timekeepers, \$25;

6.4 (6) professional combatants, \$70;

6.5 (7) amateur combatants, \$35; and

6.6 (8) ringside physicians, \$25.

6.7 All license fees shall be paid no later than the weigh-in prior to the contest. No license may
6.8 be issued until all prelicensure requirements in section 341.30 are satisfied and fees are
6.9 paid.

6.10 (b) A promoter or event organizer of an event regulated by the Department of Labor and
6.11 Industry must pay, per event, a combative sport contest fee of .

6.12 (c) If the promoter sells tickets for the event, the event fee is \$1,500 per event or four
6.13 percent of the gross ticket sales, whichever is greater. The fee must be paid as follows:

6.14 (1) \$500 at the time the combative sport contest is scheduled, which is nonrefundable;

6.15 (2) \$1,000 at the weigh-in prior to the contest;

6.16 (3) if four percent of the gross ticket sales is greater than \$1,500, the balance is due to
6.17 the commissioner within 14 days of the completed contest; and

6.18 (4) the value of all complimentary tickets distributed for an event, to the extent they
6.19 exceed five percent of total event attendance, counts toward gross tickets sales for the
6.20 purposes of determining a combative sports contest fee. For purposes of this clause, the
6.21 lowest advertised ticket price shall be used to calculate the value of complimentary tickets.

6.22 (d) If the promoter does not sell tickets and receives only a flat payment from a venue
6.23 to administer the event, the event fee is \$1,500 per event or four percent of the flat payment,
6.24 whichever is greater. The fee must be paid as follows:

6.25 (1) \$500 at the time the combative sport contest is scheduled, which is nonrefundable;

6.26 (2) \$1,000 at the weigh-in prior to the contest; and

6.27 (3) if four percent of the flat payment is greater than \$1,500, the balance is due to the
6.28 commissioner within 14 days of the completed contest.

6.29 ~~(e)~~ (e) All fees and penalties collected by the commissioner must be deposited in the
6.30 commissioner account in the special revenue fund.

7.1 Sec. 8. Minnesota Statutes 2023 Supplement, section 341.33, is amended by adding a
7.2 subdivision to read:

7.3 Subd. 3. **Medical records.** The commissioner may, if the commissioner determines that
7.4 doing so would be desirable to protect the health of a combatant, provide the combatant's
7.5 medical information collected under this chapter to the physician conducting a prebout exam
7.6 under this section or to the ringside physician or physicians assigned to the combatant's
7.7 combative sports contest.

7.8 Sec. 9. Minnesota Statutes 2023 Supplement, section 341.355, is amended to read:

7.9 **341.355 CIVIL PENALTIES.**

7.10 When the commissioner finds that a person has violated one or more provisions of any
7.11 statute, rule, or order that the commissioner is empowered to regulate, enforce, or issue, the
7.12 commissioner may impose, for each violation, a civil penalty of up to \$10,000 for each
7.13 violation, or a civil penalty that deprives the person of any economic advantage gained by
7.14 the violation, or both. The commissioner may also impose these penalties against a person
7.15 who has violated section 341.28, subdivision 5, paragraph (b) or (c), or subdivision 7.