

UTAH SPORTS AUTHORITY
PETE SUAZO UTAH ATHLETIC COMMISSION
MINUTES

March 21, 2008

10:00 a.m. (1 hour, 20 minutes, 57 seconds)

Attending: Commissioners: Alan Dayton, Chairman, Ty McCartney and Rich Montanez, Secretary: Bill Colbert and Guests: Bill Rushe (Elite Fight Night), David Putvin (Elite Fight Night), Jennifer Howe (Elite Fight Night), Jeremy Horn (Elite Fight Night), Griffen Reynaud (Throwdown), Adam Lagow (Throwdown), Mitch Kinikini (guest), Chad Deucher (Throwdown), and Isaiah Salazar (IS Promotions and Security).

Commissioner Dayton called the meeting to order.

Per diem sheet signed.

New Promoter Licenses

New promoter licenses approved last meeting contingent on clean background information being received are now complete. This includes IS Promotions, Throwdown and Elite Fight Night.

Penny Johnston's application is complete except for BCI information which is a longer process because she is in Moab.

No background or financial information has been received from Josh Burkman for his previously proposed event on May 3, 2008.

Commissioner McCartney made a motion to approve IS Promotions, Elite Fight Night and Throwdown promoter licenses. Commissioner Montanez seconded the motion. Motion passed unanimously.

Commissioner McCartney made the motion to approve Penny Johnston's application for the Moab event contingent on the commission receiving BCI information within two weeks from today. Commissioner Montanez seconded the motion. Motion passed unanimously.

Scheduled Events

Need to add the previously sanctioned Throwdown's April 18th event to the schedule.

Upcoming Events

Penny Johnston has requested the commission sanction her event at the Old Spanish Trail Arena in Moab on May 10, 2008.

Commissioner McCartney made the motion to sanction the Moab event on May 10, 2008 with the contingency of Bill receiving her BCI information within two weeks. Commissioner Montanez seconded the motion. Motion passed unanimously.

Josh Burkman's tentative event for May 3, 2008 will not be sanctioned at this time.

Property Agreement with the Nevada Athletic Commission

Mike Stidham, promoter, requested the commission to research the ability for the PSUAC to sanction an event in Wendover, Nevada. Bill indicated that the PSUAC is allowed to enter into property agreements with other commissions. He and Commissioner Montanez have both spoken with the Nevada Commission. There would need to be an agreement or memorandum of understanding. An event was sanctioned by California on the Nevada side of Tahoe. Bill would like to model after that. Commissioner Montanez has given California contact information to Rebecca Waldron of the AG's office. Commissioner Dayton requested to know if the PSUAC would fall under Nevada's umbrella policy for liability and the cost beyond the normal site costs the commission would have putting on any other in-state fight. He also stated the promoters would pay costs of the commission above that of in-state events. Bill will check with the ABC as other commissions have had sanctioned events on tribal reservations which are not state property. Bill recommends that this exception be on a case by case basis and the commission not be obligated to any out-of-state events if burdened or uncomfortable. There was also some discussion of all fees collected going to the commission's general fund and ABC rules on out-of-state events in states with no commissions. Bill will get draft agreements from Nevada and the promoter for AG review before the next meeting.

Commissioner McCartney made a motion to approve moving forward with looking at a cooperative agreement with the Nevada Commission. Commissioner Montanez seconded the motion. Motion passed unanimously.

Enforcement of Non-Compete Contracts

Mike asked the commission if they would take a role in enforcing his non-compete contracts. However, Bill stated that the commission is not signatory to the "non-compete" contracts. Commissioner Dayton said it is completely a civil matter. Rebecca Waldron said it would be a long process to get a formal written opinion from the AG. Her guidance is that it is a civil matter and if the court did enforce it that it may be an issue for the commission to take into consideration at the time of license renewal. Bill Rushe said there will be litigation on the non-compete contracts. There have been over a thousand fighters that have signed a non-compete which is eliminating competition rather than protecting one particular promoter. He feels the promoter should have the authority or ability to sign a fighter to a "non-compete" contract if the promoter is putting some money into and promoting the fighter. He also asked if there was anything the promoter with commission support could do to make sure fighters were more

informed about contracts. Commissioner Dayton said the commission could look at developing a statement that could be presented to a fighter before indicating their rights under statute and commission, their ability to address grievances and to be very judicious when they sign any document. However, Jennifer said the packet and “non-compete” contract with Mike is signed before a fight is even secured. Jeremy asked the commission if they could make sure a non-compete contract has a guaranteed number of fights and compensation each fight. Commissioner Dayton said that would be difficult for the commission.

Commissioner McCartney made the motion to deny the request to take enforcement action on non-compete contracts. Since the state has not had a hand in the contracts, the state should not be involved in enforcement of the contracts. Commissioner Montanez seconded the motion. Motion passed unanimously.

Event Fees and Payment for Officials (37:50)

After reading through the statute and rules more closely, Bill stated the commission has been very flexible with promoters. For example R859-15-01, paragraph 8 it says that before a contest begins, the promoter shall give the designated commission member the money for payment of contestants, referees, judges and the attending physician. This has become a problem with Mike’s events as the fighters are paid at the end of the night. Bill has multiple unclaimed checks. There is also an increase in concern of liability of physicians if they are paid directly by the promoter if they are not a representative of the commission. Commissioner Montanez says there have been a lot of e-mails recently stating that other states appoint the judges, referees and the doctor. The commission pays them and gets reimbursed by the promoter. They are being protected as part-time employees. Commissioner McCartney feels there is a perception of conflict of interest if a physician makes the call to send a fighter to the hospital and is paid by the promoter. Commissioner Montanez said the original commission allowed MMA promoters to assign officials as they did not have any qualified, licensed judges or referees for MMA. Bill said a rule change will have to be put into place for the commission to pay physicians. Commissioner Dayton requested Bill to begin that rule change process.

Bill was given permission of the commission to maintain the flexibility shown MMA promoters in the past to pay contestants and other officials at the end of the event.

Next, Bill would be like to have separate sections of the rule to address MMA, boxing and white collar requirements.

Another issue of discussion is the promoter responsibilities of providing ringside equipment such as buckets, stools, gong, public address system, separate dressing rooms, security personnel, bout sheets, etc. Bill will provide some form of clarification of what the promoter is responsible for. Commission protocols may indicate the promoter’s responsibility to provide water. The promoter is also responsible for the cost of the drug tests. The commission has been absorbing those costs. Commissioner Montanez would like the commission to go back to urine tests.

The final issue is ringside seating. The rule states that ringside seating belongs to the commission. Commissioner Dayton said a laminated document with the commission seal should be placed on ringside tables to reserve them for use by the commission. Commissioner Montanez also stated that the commission has had problems with ringside alcohol consumption. Commissioner Montanez asked Bill to make sure protocols are also looked at.

Commissioner McCartney made the motion to take ringside table space as needed and prohibit alcohol around the ring. Commissioner Montanez seconded the motion. Motion passed unanimously.

Promoter Licensing

At the last meeting, Mike made comments about requirements for approval of promoter licenses. His license renewal was under the old statute and previous commission. Bill indicates the commission is well within what they require. BCI records have not been required to date.

Positive Drug Testing

Bill said that a contestant tested positive for controlled substances at the last event. He was suspended for 180 days. Bill sent a letter to that affect and explained his right to appeal that decision before the commission.

Other Discussion

Jeremy asked for clarification of when contestants are to be paid. Bill responded the commission will remain flexible and allow promoters to pay contestants at the end of the event. However, he said the problem with mailing unclaimed checks is that the contestant has not signed his contract verifying payment. In the event a contestant requests their unclaimed payment by phone, Bill verifies a mailing address, writes a letter which notes the request of payment by mail, the check number, files a copy for the contestant file and mails the check. The commission supports that process. Forfeiture date of collection of a purse was suggested.

The number of dates a promoter can reserve vs. the amount of necessary commission personnel was questioned. Bill responded that rule R859-15-01 provides for that under subsection 3. The question was also raised of how the commission would manage multiple promoters requesting the same date. The commission has not had to confront that problem but would currently have a problem staffing more than two events in the same night. Commissioner McCartney indicated there are plenty of inspectors not being utilized right now and mentioned this may need to be addressed as needed. Commissioner Dayton indicated there are inspectors capable of running a fight on their own. Bill said the commission only has two scales and two bells and may need to start requiring promoters to provide some of that equipment. He said there are no more than two fights scheduled at the same time right now. Weigh-in dates may also need to be addressed. Bill indicated commission representatives need to be present at weigh-ins but a full staff is not necessary. Commissioner McCartney mentioned the commission can do all the weigh-ins first

and then collect the paperwork, however, Bill has had problems with fighters taking off after weighing in. Bill also reminded everyone that the license forms are available on-line and, when completed in advance, can really assist the commission.

Bill mentioned another problem is having Seconds arrive minutes before the event after the paperwork has been secured.

Commissioner McCartney made the motion to adjourn. Commissioner Montanez seconded the motion. Motion passed unanimously.