

Calendar No. 705

105TH CONGRESS
2^D SESSION

S. 2238

[Report No. 105-371]

A BILL

To reform unfair and anticompetitive practices in
the professional boxing industry.

OCTOBER 6 (legislative day, OCTOBER 2), 1998
Reported with an amendment in the nature of a
substitute

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[Report No. 105-371]

To reform unfair and anticompetitive practices in the professional boxing industry.

IN THE SENATE OF THE UNITED STATES

JUNE 26, 1998

Mr. MCCAIN (for himself, Mr. BRYAN, and Mr. DORGAN) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

OCTOBER 6 (legislative day, OCTOBER 2), 1998

Reported by Mr. MCCAIN, with an amendment in the nature of a substitute
[Strike all after the enacting clause and insert the part printed in italic]

A BILL

To reform unfair and anticompetitive practices in the professional boxing industry.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “~~Muhammad Ali Boxing~~
5 ~~Reform Act~~”.

1 **SEC 2. FINDINGS.**

2 The Congress makes the following findings:

3 (1) Professional boxing differs from other
4 major, interstate professional sports industries in
5 the United States in that it operates without any
6 private sector association, league, or centralized in-
7 dustry organization to establish uniform and appro-
8 priate business practices and ethical standards. This
9 has led to repeated occurrences of disreputable and
10 coercive business practices in the boxing industry, to
11 the detriment of professional boxers nationwide.

12 (2) Professional boxers are vulnerable to ex-
13 ploitative business practices engaged in by certain
14 promoters and sanctioning bodies which dominate
15 the sport. Boxers do not have an established rep-
16 resentative group to advocate for their interests and
17 rights in the industry.

18 (3) State officials are the proper regulators of
19 professional boxing events, and must protect the wel-
20 fare of professional boxers and serve the public in-
21 terest by closely supervising boxing activity in their
22 jurisdiction. State boxing commissions do not cur-
23 rently receive adequate information to determine
24 whether boxers competing in their jurisdiction are
25 being subjected to contract terms and business prac-

1 tices which may be violative of State regulations, or
2 are onerous and confiscatory.

3 (4) Promoters who engage in illegal, coercive,
4 or unethical business practices can take advantage
5 of the lack of equitable business standards in the
6 sport by holding boxing events in states with weaker
7 regulatory oversight.

8 (5) The sanctioning organizations which have
9 proliferated in the boxing industry have not estab-
10 lished credible and objective criteria to rate profes-
11 sional boxers, and operate with virtually no industry
12 or public oversight. Their ratings are susceptible to
13 manipulation, have deprived boxers of fair opportu-
14 nities for advancement, and have undermined public
15 confidence in the integrity of the sport.

16 (6) Open competition in the professional boxing
17 industry has been significantly interfered with by re-
18 strictive and anti-competitive business practices of
19 certain promoters and sanctioning bodies, to the det-
20 riment of the athletes and the ticket-buying public.
21 Common practices of promoters and sanctioning or-
22 ganizations represent restraints of interstate trade
23 in the United States.

24 (7) It is necessary and appropriate to establish
25 national contracting reforms to protect professional

1 boxers and prevent exploitative business practices,
2 and to require enhanced financial disclosures to
3 State athletic commissions to improve the public
4 oversight of the sport.

5 (8) Whereas the Congress seeks to improve the
6 integrity and ensure fair practices of the profes-
7 sional boxing industry on a nationwide basis, it
8 deems it appropriate to name this reform in honor
9 of Muhammad Ali, whose career achievements and
10 personal contributions to the sport, and positive im-
11 pact on our society, are unsurpassed in the history
12 of boxing.

13 **SEC. 3. PURPOSES.**

14 The purposes of this Act are—

15 (1) to protect the rights and welfare of profes-
16 sional boxers by preventing certain exploitative, op-
17 pressive, and unethical business practices they may
18 be subject to on an interstate basis;

19 (2) to assist State boxing commissions in their
20 efforts to provide more effective public oversight of
21 the sport; and

22 (3) to promoting honorable competition in pro-
23 fessional boxing and enhance the overall integrity of
24 the industry.

1 **SEC 4. PROTECTING BOXERS FROM EXPLOITATION.**

2 The Professional Boxing Safety Act of 1996 (15
3 U.S.C. 6301 et seq.) is amended by—

4 (1) redesignating section 15 as 16; and

5 (2) inserting after section 14 the following:

6 **“SEC. 15. PROTECTION FROM EXPLOITATION.**

7 **“(a) CONTRACT REQUIREMENTS.—**

8 **“(1) IN GENERAL.—**Any contract between a
9 boxer and a promoter or manager shall—

10 **“(A)** be reasonable;

11 **“(B)** include mutual obligations between
12 the parties; and

13 **“(C)** specify a minimum number of profes-
14 sional boxing matches per year for the boxer.

15 **“(2) 1-YEAR LIMIT ON COERCIVE PROMOTIONAL**
16 **RIGHTS.—**The period of time for which promotional
17 rights to promote a boxer may be granted under a
18 contract between the boxer and a promoter, or be-
19 tween promoters with respect to a boxer, may not be
20 greater than 12 months in length if the boxer is re-
21 quired to grant such rights, or a boxer’s promoter
22 is required to grant such rights with respect to a
23 boxer, as a condition precedent to the boxer’s par-
24 ticipation in a professional boxing match. Nothing in
25 this paragraph shall be construed as pre-empting

1 any State statute or common law rule against inter-
 2 ference with contract.

3 ~~“(3) PROMOTIONAL RIGHTS UNDER MANDA-~~
 4 ~~TORY BOUT CONTRACTS.—~~Neither a promoter nor a
 5 sanctioning organization may require a boxer, in a
 6 contract arising from a professional boxing match
 7 that is a mandatory bout under the rules of the
 8 sanctioning organization, to grant promotional rights
 9 to any promoter for a future professional boxing
 10 match.

11 ~~“(b) EMPLOYMENT AS CONDITION OF PROMOTING,~~
 12 ~~ETC.—~~No person who is a licensee, manager, match-
 13 maker, or promoter may require a boxer to employ, retain,
 14 or provide compensation to any individual or business en-
 15 terprise (whether operating in corporate form or not) rec-
 16 ommended or designated by that person as a condition
 17 of—

18 ~~“(1) such person’s working with the boxer as a~~
 19 ~~licensee, manager, matchmaker, or promoter;~~

20 ~~“(2) such person’s arranging for the boxer to~~
 21 ~~participate in a professional boxing match; or~~

22 ~~“(3) such boxer’s participation in a professional~~
 23 ~~boxing match.~~

24 ~~“(c) ENFORCEMENT.—~~

1 “(1) PROMOTION AGREEMENT.—A provision in
2 a contract between a promoter and a boxer, or be-
3 tween promoters with respect to a boxer, that vio-
4 lates subsection (a) is contrary to public policy and
5 unenforceable at law.

6 “(2) EMPLOYMENT AGREEMENT.—In any ac-
7 tion brought against a boxer to recover money
8 (whether as damages or as money owed) for acting
9 as a licensee, manager, matchmaker, or promoter for
10 the boxer, the court, arbitrator, or administrative
11 body before which the action is brought may deny
12 recovery in whole or in part under the contract as
13 contrary to public policy if the employment, reten-
14 tion, or compensation that is the subject of the ac-
15 tion was obtained in violation of subsection (b).”.

16 (b) CONFLICTS OF INTEREST.—Section 9 of such Act
17 (15 U.S.C. 6308) is amended by—

18 (1) striking “No member” and inserting “(a)
19 REGULATORY PERSONNEL.—No member”; and
20 (2) adding at the end thereof the following:

21 “(b) FIREWALL BETWEEN PROMOTERS AND MAN-
22 AGERS.—

23 “(1) IN GENERAL.—It is unlawful for—

1 “(A) a promoter to have a direct or indi-
2 rect financial interest in the management of a
3 boxer; or

4 “(B) a manager to have a direct or indi-
5 rect financial interest in the promotion of a
6 boxer.

7 “(2) EXCEPTION FOR SELF-PROMOTION AND
8 MANAGEMENT.—Paragraph (1) does not prohibit a
9 boxer from acting as his own promoter or man-
10 ager.”.

11 **SEC. 5. SANCTIONING ORGANIZATION INTEGRITY RE-**
12 **FORMS.**

13 (a) IN GENERAL.—The Professional Boxing Safety
14 Act of 1996 (15 U.S.C. 6301 et seq.), as amended by sec-
15 tion 4 of this Act, is amended by—

16 (1) redesignating section 16, as redesignated by
17 section 4 of this Act, as section 17; and

18 (2) by inserting after section 15 the following:

19 **“SEC. 16. SANCTIONING ORGANIZATIONS.**

20 “(a) OBJECTIVE CRITERIA.—A sanctioning organiza-
21 tion that sanctions professional boxing matches on an
22 interstate basis shall establish objective and consistent
23 written criteria for the ratings of professional boxers.

24 “(b) APPEALS PROCESS.—A sanctioning organization
25 shall establish and publish an appeals procedure that af-

1 fords a boxer rated by that organization a reasonable op-
 2 portunity, without the payment of any fee, to submit infor-
 3 mation to contest its rating of the boxer. Under the proce-
 4 dure, the sanctioning organization shall, within 14 days
 5 after receiving a request from a boxer questioning that
 6 organization's rating of the boxer—

7 “(1) provide to the boxer a written explanation
 8 of the organization's criteria and its rating of the
 9 boxer; and

10 “(2) submit a copy of its explanation to the
 11 President of the Association of Boxing Commissions
 12 of the United States.

13 “(c) NOTIFICATION OF CHANGE IN RATING.—If a
 14 sanctioning organization changes its rating of a boxer who
 15 is included, before the change, in the top 10 boxers rated
 16 by that organization, then it shall provide a written expla-
 17 nation of the reasons for its change in that boxer's rating
 18 to the boxer within 14 days after changing the boxer's rat-
 19 ing.

20 “(d) PUBLIC DISCLOSURE.—

21 “(1) FTC FILING.—Not later than January
 22 31st of each year, a sanctioning organization shall
 23 submit to the Federal Trade Commission—

1 “(A) a complete description of the organi-
2 zation’s ratings criteria, policies, and general
3 sanctioning fee schedule;

4 “(B) the bylaws of the organization;

5 “(C) the appeals procedure of the organi-
6 zation; and

7 “(D) a list and business address of the or-
8 ganization’s officials who vote on the ratings of
9 boxers.

10 “(2) ~~FORMAT; UPDATES.~~—A sanctioning orga-
11 nization shall—

12 “(A) provide the information required
13 under paragraph (1) in writing, and, for any
14 document greater than 2 pages in length, also
15 in electronic form; and

16 “(B) promptly notify the Federal Trade
17 Commission of any material change in the in-
18 formation submitted.

19 “(3) ~~FTC TO MAKE INFORMATION AVAILABLE~~
20 ~~TO PUBLIC.~~—The Federal Trade Commission shall
21 make information received under this subsection
22 available to the public. The Commission may assess
23 sanctioning organizations a fee to offset the costs it
24 incurs in processing the information and making it
25 available to the public.

1 “(4) INTERNET ALTERNATIVE.—In lieu of sub-
2 mitting the information required by paragraph (1)
3 to the Federal Trade Commission, a sanctioning or-
4 ganization may provide the information to the public
5 by maintaining a website on the Internet that—

6 “(A) is readily accessible by the general
7 public using generally available search engines
8 and does not require a password or payment of
9 a fee for full access to all the information;

10 “(B) contains all the information required
11 to be submitted to the Federal Trade Commis-
12 sion by paragraph (1) in a easy to search and
13 use format; and

14 “(C) is updated whenever there is a mate-
15 rial change in the information.”.

16 (b) CONFLICT OF INTEREST.—Section 9 of such Act
17 (15 U.S.C. 6308), as amended by section 4 of this Act,
18 is amended by adding at the end thereof the following:

19 “(c) SANCTIONING ORGANIZATIONS.—

20 “(1) PROHIBITION ON RECEIPTS.—Except as
21 provided in paragraph (2), no officer or employee of
22 a sanctioning organization may receive any com-
23 pensation, gift, or benefit directly or indirectly from
24 a promoter, boxer, or manager.

1 “(2) EXCEPTIONS.—Paragraph (1) does not
2 apply to—

3 “(A) the receipt of payment by a promoter,
4 boxer, or manager of a sanctioning organiza-
5 tion’s published fee for sanctioning a profes-
6 sional boxing match or reasonable expenses in
7 connection therewith if the payment is reported
8 to the responsible boxing commission under sec-
9 tion 17; or

10 “(B) the receipt of a gift or benefit of de-
11 minimis value.”.

12 (c) SANCTIONING ORGANIZATION DEFINED.—Sec-
13 tion 2 of the Professional Boxing Safety Act of 1996 (15
14 U.S.C. 6301) is amended by adding at the end thereof
15 the following:

16 “(11) SANCTIONING ORGANIZATION.—The term
17 ‘sanctioning organization’ means an organization
18 that sanctions professional boxing matches in the
19 United States—

20 “(A) between boxers who are residents of
21 different States; or

22 “(B) that are advertised, otherwise pro-
23 moted, or broadcast (including closed circuit
24 television) in interstate commerce.”.

1 **SEC. 6. PUBLIC INTEREST DISCLOSURES TO STATE BOXING**
 2 **COMMISSIONS.**

3 (a) IN GENERAL.—The Professional Boxing Safety
 4 Act of 1996 (15 U.S.C. 6301 et seq.), as amended by sec-
 5 tion 5 of this Act, is amended by—

6 (1) redesignating section 17, as redesignated by
 7 section 5 of this Act, as section 18; and

8 (2) by inserting after section 16 the following:

9 **“SEC. 17. REQUIRED DISCLOSURES TO STATE BOXING COM-**
 10 **MISSIONS.**

11 “(a) SANCTIONING ORGANIZATIONS.—Before sanc-
 12 tioning a professional boxing match in a State, a sanction-
 13 ing organization shall provide to the boxing commission
 14 of, or responsible for sanctioning matches in, that State
 15 a written statement of—

16 “(1) all charges, fees, and costs the organiza-
 17 tion will assess any boxer participating in that
 18 match;

19 “(2) all payments, benefits, complimentary ben-
 20 efits, and fees the organization will receive for its af-
 21 filiation with the event, from the promoter, host of
 22 the event, and all other sources; and

23 “(3) such additional information as the commis-
 24 sion may require.

25 “(b) PROMOTERS.—Before a professional boxing
 26 match organized, promoted, or produced by a promoter

1 is held in a State, the promoter shall provide a statement
2 in writing to the boxing commission of, or responsible for
3 sanctioning matches in, that State—

4 “(1) a copy of any agreement in writing to
5 which the promoter is a party with any boxer par-
6 ticipating in the match;

7 “(2) a statement made under penalty of perjury
8 that there are no other agreements, written or oral,
9 between the promoter and the boxer with respect to
10 that match; and

11 “(3) a statement in writing of—

12 “(A) all fees, charges, and expenses that
13 will be assessed by or through the promoter on
14 the boxer pertaining to the event, including any
15 portion of the boxer’s purse that the promoter
16 will receive; and training expenses; and

17 “(B) all payments, gift, or benefits the
18 promoter is providing to any sanctioning orga-
19 nization affiliated with the event.

20 “(e) STATE BOXING COMMISSION TO ESTABLISH RE-
21 QUIREMENTS.—The boxing commission of each State, or
22 the responsible boxing commission for a State that has
23 no boxing commission, shall determine how far in advance
24 of a professional boxing match the documents described
25 in subsections (a) and (b) shall be provided to the boxing

1 commission, and may prescribe such additional require-
 2 ments relative to the required submission as may be nec-
 3 essary.

4 “(d) INFORMATION TO BE AVAILABLE TO STATE AT-
 5 TORNEY GENERAL.—A State boxing commission shall
 6 make information received under this section available to
 7 the chief law enforcement officer of the State in which the
 8 match is to be held upon request.

9 “(e) EXCEPTION.—The requirements of this section
 10 do not apply in connection with a professional boxing
 11 match scheduled to last less than 10 rounds.”

12 **SEC. 7. ENFORCEMENT.**

13 Section 10 of the Professional Boxing Safety Act of
 14 1996 (15 U.S.C. 6309) is amended by—

15 (1) inserting a comma and “other than section
 16 9(b), 15, 16, or 17,” after “this Act” in subsection
 17 (b)(1);

18 (2) redesignating paragraphs (2) and (3) of
 19 subsection (b) as paragraphs (3) and (4), respec-
 20 tively, and inserting after paragraph (1) the follow-
 21 ing:

22 “(2) VIOLATION OF ANTI-EXPLOITATION, SANC-
 23 TIONING ORGANIZATION, OR DISCLOSURE PROVI-
 24 SIONS.—Any person who knowing violates any provi-
 25 sion of section 9(b), 15, 16, or 17 of this Act shall,

1 upon conviction, be imprisoned for not more than 1
 2 year or fined not more than—

3 “(A) \$100,000; and

4 “(B) if the violations occur in connection
 5 with a professional boxing match the gross rev-
 6 enues for which exceed \$2,000,000, such addi-
 7 tional amount as the court finds appropriate,
 8 or both.”; and

9 (3) adding at the end thereof the following:

10 “(c) ACTIONS BY STATES.—Whenever the chief law
 11 enforcement officer of any State has reason to believe that
 12 a person or organization is engaging in practices which
 13 violate any requirement of this Act, the State, as parens
 14 patriae, may bring a civil action on behalf of its residents
 15 in an appropriate district court of the United States—

16 “(1) to enjoin the holding of any professional
 17 boxing match which the practice involves;

18 “(2) to enforce compliance with this Act;

19 “(3) to obtain the fines provided under sub-
 20 section (b) or appropriate restitution; or

21 “(4) to obtain such other relief as the court
 22 may deem appropriate.

23 “(d) PRIVATE RIGHT OF ACTION.—Any boxer who
 24 suffers economic injury as a result of a violation of any
 25 provision of this Act may bring an action in the appro-

1 p~~r~~iate Federal or State court and recover the damages suf-
2 fered, court costs, and reasonable attorneys fees and ex-
3 penses.”.

4 **SECTION 1. SHORT TITLE.**

5 *This Act may be cited as the “Muhammad Ali Boxing*
6 *Reform Act”.*

7 **SEC. 2. FINDINGS.**

8 *The Congress makes the following findings:*

9 *(1) Professional boxing differs from other major,*
10 *interstate professional sports industries in the United*
11 *States in that it operates without any private sector*
12 *association, league, or centralized industry organiza-*
13 *tion to establish uniform and appropriate business*
14 *practices and ethical standards. This has led to re-*
15 *peated occurrences of disreputable and coercive busi-*
16 *ness practices in the boxing industry, to the detriment*
17 *of professional boxers nationwide.*

18 *(2) Professional boxers are vulnerable to exploit-*
19 *ative business practices engaged in by certain promot-*
20 *ers and sanctioning bodies which dominate the sport.*
21 *Boxers do not have an established representative*
22 *group to advocate for their interests and rights in the*
23 *industry.*

24 *(3) State officials are the proper regulators of*
25 *professional boxing events, and must protect the wel-*

1 *fare of professional boxers and serve the public inter-*
2 *est by closely supervising boxing activity in their ju-*
3 *risdiction. State boxing commissions do not currently*
4 *receive adequate information to determine whether*
5 *boxers competing in their jurisdiction are being sub-*
6 *jected to contract terms and business practices which*
7 *may be violative of State regulations, or are onerous*
8 *and confiscatory.*

9 (4) *Promoters who engage in illegal, coercive, or*
10 *unethical business practices can take advantage of the*
11 *lack of equitable business standards in the sport by*
12 *holding boxing events in states with weaker regu-*
13 *latory oversight.*

14 (5) *The sanctioning organizations which have*
15 *proliferated in the boxing industry have not estab-*
16 *lished credible and objective criteria to rate profes-*
17 *sional boxers, and operate with virtually no industry*
18 *or public oversight. Their ratings are susceptible to*
19 *manipulation, have deprived boxers of fair opportuni-*
20 *ties for advancement, and have undermined public*
21 *confidence in the integrity of the sport.*

22 (6) *Open competition in the professional boxing*
23 *industry has been significantly interfered with by re-*
24 *strictive and anti-competitive business practices of*
25 *certain promoters and sanctioning bodies, to the det-*

1 *riment of the athletes and the ticket-buying public.*
2 *Common practices of promoters and sanctioning orga-*
3 *nizations represent restraints of interstate trade in*
4 *the United States.*

5 *(7) It is necessary and appropriate to establish*
6 *national contracting reforms to protect professional*
7 *boxers and prevent exploitative business practices,*
8 *and to require enhanced financial disclosures to State*
9 *athletic commissions to improve the public oversight*
10 *of the sport.*

11 *(8) Whereas the Congress seeks to improve the in-*
12 *tegrity and ensure fair practices of the professional*
13 *boxing industry on a nationwide basis, it deems it*
14 *appropriate to name this reform in honor of Muham-*
15 *mad Ali, whose career achievements and personal con-*
16 *tributions to the sport, and positive impact on our so-*
17 *ciety, are unsurpassed in the history of boxing.*

18 **SEC. 3. PURPOSES.**

19 *The purposes of this Act are—*

20 *(1) to protect the rights and welfare of profes-*
21 *sional boxers by preventing certain exploitative, op-*
22 *pressive, and unethical business practices they may be*
23 *subject to on an interstate basis;*

1 (2) *to assist State boxing commissions in their*
 2 *efforts to provide more effective public oversight of the*
 3 *sport; and*

4 (3) *to promoting honorable competition in pro-*
 5 *fessional boxing and enhance the overall integrity of*
 6 *the industry.*

7 **SEC 4. PROTECTING BOXERS FROM EXPLOITATION.**

8 *The Professional Boxing Safety Act of 1996 (15 U.S.C.*
 9 *6301 et seq.) is amended by—*

10 (1) *redesignating section 15 as 16; and*

11 (2) *inserting after section 14 the following:*

12 **“SEC. 15. PROTECTION FROM EXPLOITATION.**

13 **“(a) CONTRACT REQUIREMENTS.—**

14 **“(1) IN GENERAL.—***Any contract between a*
 15 *boxer and a promoter or manager shall—*

16 **“(A)** *include mutual obligations between the*
 17 *parties;*

18 **“(B)** *specify a minimum number of profes-*
 19 *sional boxing matches per year for the boxer; and*

20 **“(C)** *set forth a specific period of time dur-*
 21 *ing which the contract will be in effect, including*
 22 *any provision for extension of that period due to*
 23 *the boxer’s temporary inability to compete be-*
 24 *cause of an injury or other cause.*

1 “(2) 1-YEAR LIMIT ON COERCIVE PROMOTIONAL
2 RIGHTS.—

3 “(A) *The period of time for which pro-*
4 *motional rights to promote a boxer may be*
5 *granted under a contract between the boxer and*
6 *a promoter, or between promoters with respect to*
7 *a boxer, may not be greater than 12 months in*
8 *length if the boxer is required to grant such*
9 *rights, or a boxer’s promoter is required to grant*
10 *such rights with respect to a boxer, as a condi-*
11 *tion precedent to the boxer’s participation in a*
12 *professional boxing match against another boxer*
13 *who is under contract to the promoter.*

14 “(B) *A promoter exercising promotional*
15 *rights with respect to such boxer during the 12-*
16 *month period beginning on the day after the last*
17 *day of the promotional right period described in*
18 *subparagraph (A) may not secure exclusive pro-*
19 *motional rights from the boxer’s opponents as a*
20 *condition of participating in a professional box-*
21 *ing match against the boxer, and any contract to*
22 *the contrary—*

23 “(i) *shall be considered to be in re-*
24 *straint of trade and contrary to public pol-*
25 *icy; and*

1 “(ii) unenforceable.

2 “(C) Nothing in this paragraph shall be
3 construed as pre-empting any State law concern-
4 ing interference with contracts.

5 “(3) *PROMOTIONAL RIGHTS UNDER MANDATORY*
6 *BOUT CONTRACTS.*—Neither a promoter nor a sanc-
7 tioning organization may require a boxer, in a con-
8 tract arising from a professional boxing match that
9 is a mandatory bout under the rules of the sanction-
10 ing organization, to grant promotional rights to any
11 promoter for a future professional boxing match.

12 “(b) *EMPLOYMENT AS CONDITION OF PROMOTING,*
13 *ETC.*—No person who is a licensee, manager, matchmaker,
14 or promoter may require a boxer to employ, retain, or pro-
15 vide compensation to any individual or business enterprise
16 (whether operating in corporate form or not) recommended
17 or designated by that person as a condition of—

18 “(1) such person’s working with the boxer as a
19 licensee, manager, matchmaker, or promoter;

20 “(2) such person’s arranging for the boxer to
21 participate in a professional boxing match; or

22 “(3) such boxer’s participation in a professional
23 boxing match.

24 “(c) *ENFORCEMENT.*—

1 “(1) *PROMOTION AGREEMENT.*—A provision in a
 2 *contract between a promoter and a boxer, or between*
 3 *promoters with respect to a boxer, that violates sub-*
 4 *section (a) is contrary to public policy and unenforce-*
 5 *able at law.*

6 “(2) *EMPLOYMENT AGREEMENT.*—In any action
 7 *brought against a boxer to recover money (whether as*
 8 *damages or as money owed) for acting as a licensee,*
 9 *manager, matchmaker, or promoter for the boxer, the*
 10 *court, arbitrator, or administrative body before which*
 11 *the action is brought may deny recovery in whole or*
 12 *in part under the contract as contrary to public pol-*
 13 *icy if the employment, retention, or compensation*
 14 *that is the subject of the action was obtained in viola-*
 15 *tion of subsection (b).”.*

16 **(b) CONFLICTS OF INTEREST.**—Section 9 of such Act
 17 (15 U.S.C. 6308) is amended by—

18 (1) striking “No member” and inserting “(a)
 19 **REGULATORY PERSONNEL.**—No member”; and

20 (2) adding at the end thereof the following:

21 “(b) **FIREWALL BETWEEN PROMOTERS AND MAN-**
 22 **AGERS.**—

23 “(1) **IN GENERAL.**—It is unlawful for—

1 “(A) a promoter to have a direct or indirect
2 financial interest in the management of a boxer;

3 or

4 “(B) a manager—

5 “(i) to have a direct or indirect finan-
6 cial interest in the promotion of a boxer; or

7 “(ii) to be employed by or receive com-
8 pensation or other benefits from a promoter,
9 except for amounts received as consideration
10 under the manager’s contract with the boxer.

11 “(2) *EXCEPTION FOR SELF-PROMOTION AND*
12 *MANAGEMENT.—Paragraph (1) does not prohibit a*
13 *boxer from acting as his own promoter or manager.”.*

14 **SEC. 5. SANCTIONING ORGANIZATION INTEGRITY RE-**
15 **FORMS.**

16 (a) *IN GENERAL.—The Professional Boxing Safety Act*
17 *of 1996 (15 U.S.C. 6301 et seq.), as amended by section*
18 *4 of this Act, is amended by—*

19 (1) *redesignating section 16, as redesignated by*
20 *section 4 of this Act, as section 17; and*

21 (2) *by inserting after section 15 the following:*

22 **“SEC. 16. SANCTIONING ORGANIZATIONS.**

23 “(a) *OBJECTIVE CRITERIA.—A sanctioning organiza-*
24 *tion that sanctions professional boxing matches on an inter-*

1 *state basis shall establish objective and consistent written*
2 *criteria for the ratings of professional boxers.*

3 “(b) *APPEALS PROCESS.*—*A sanctioning organization*
4 *shall establish and publish an appeals procedure that af-*
5 *fords a boxer rated by that organization a reasonable oppor-*
6 *tunity, without the payment of any fee, to submit informa-*
7 *tion to contest its rating of the boxer. Under the procedure,*
8 *the sanctioning organization shall, within 14 days after re-*
9 *ceiving a request from a boxer questioning that organiza-*
10 *tion’s rating of the boxer—*

11 “(1) *provide to the boxer a written explanation*
12 *of the organization’s criteria, its rating of the boxer,*
13 *and the rationale or basis for its rating (including a*
14 *response to any specific questions submitted by the*
15 *boxer); and*

16 “(2) *submit a copy of its explanation to the*
17 *President of the Association of Boxing Commissions of*
18 *the United States and to the boxing commission of the*
19 *boxer’s domiciliary State.*

20 “(c) *NOTIFICATION OF CHANGE IN RATING.*—*If a sanc-*
21 *tioning organization changes its rating of a boxer who is*
22 *included, before the change, in the top 10 boxers rated by*
23 *that organization, then, within 14 days after changing the*
24 *boxer’s rating, the organization shall—*

1 (1) *mail notice of the change and a written ex-*
2 *planation of the reasons for its change in that boxer's*
3 *rating to the boxer at the boxer's last known address;*

4 (2) *post a copy, within the 14-day period, of the*
5 *notice and the explanation on its Internet website or*
6 *homepage, if any, for a period of not less than 30*
7 *days; and*

8 (3) *mail a copy of the notice and the explanation*
9 *to the President of the Association of Boxing Commis-*
10 *sions.*

11 “(d) *PUBLIC DISCLOSURE.—*

12 “(1) *FTC FILING.—Not later than January 31st*
13 *of each year, a sanctioning organization shall submit*
14 *to the Federal Trade Commission—*

15 “(A) *a complete description of the organiza-*
16 *tion's ratings criteria, policies, and general sanc-*
17 *tioning fee schedule;*

18 “(B) *the bylaws of the organization;*

19 “(C) *the appeals procedure of the organiza-*
20 *tion; and*

21 “(D) *a list and business address of the orga-*
22 *nization's officials who vote on the ratings of*
23 *boxers.*

24 “(2) *FORMAT; UPDATES.—A sanctioning organi-*
25 *zation shall—*

1 “(A) provide the information required
2 under paragraph (1) in writing, and, for any
3 document greater than 2 pages in length, also in
4 electronic form; and

5 “(B) promptly notify the Federal Trade
6 Commission of any material change in the infor-
7 mation submitted.

8 “(3) *FTC TO MAKE INFORMATION AVAILABLE TO*
9 *PUBLIC.—The Federal Trade Commission shall make*
10 *information received under this subsection available*
11 *to the public. The Commission may assess sanctioning*
12 *organizations a fee to offset the costs it incurs in*
13 *processing the information and making it available to*
14 *the public.*

15 “(4) *INTERNET ALTERNATIVE.—In lieu of sub-*
16 *mitting the information required by paragraph (1) to*
17 *the Federal Trade Commission, a sanctioning organi-*
18 *zation may provide the information to the public by*
19 *maintaining a website on the Internet that—*

20 “(A) is readily accessible by the general
21 public using generally available search engines
22 and does not require a password or payment of
23 a fee for full access to all the information;

24 “(B) contains all the information required
25 to be submitted to the Federal Trade Commission

1 *by paragraph (1) in a easy to search and use*
2 *format; and*

3 *“(C) is updated whenever there is a mate-*
4 *rial change in the information.”.*

5 **(b) CONFLICT OF INTEREST.**—*Section 9 of such Act*
6 *(15 U.S.C. 6308), as amended by section 4 of this Act, is*
7 *amended by adding at the end thereof the following:*

8 **“(c) SANCTIONING ORGANIZATIONS.**—

9 **“(1) PROHIBITION ON RECEIPTS.**—*Except as*
10 *provided in paragraph (2), no officer or employee of*
11 *a sanctioning organization may receive any com-*
12 *penetration, gift, or benefit directly or indirectly from*
13 *a promoter, boxer, or manager.*

14 **“(2) EXCEPTIONS.**—*Paragraph (1) does not*
15 *apply to—*

16 **“(A) the receipt of payment by a promoter,**
17 *boxer, or manager of a sanctioning organiza-*
18 *tion’s published fee for sanctioning a professional*
19 *boxing match or reasonable expenses in connec-*
20 *tion therewith if the payment is reported to the*
21 *responsible boxing commission under section 17;*
22 *or*

23 **“(B) the receipt of a gift or benefit of de**
24 *minimis value.”.*

1 (c) *SANCTIONING ORGANIZATION DEFINED.*—Section 2
 2 *of the Professional Boxing Safety Act of 1996 (15 U.S.C.*
 3 *6301) is amended by adding at the end thereof the following:*

4 “(11) *SANCTIONING ORGANIZATION.*—The term
 5 *‘sanctioning organization’ means an organization*
 6 *that sanctions professional boxing matches in the*
 7 *United States—*

8 “(A) *between boxers who are residents of*
 9 *different States; or*

10 “(B) *that are advertised, otherwise pro-*
 11 *moted, or broadcast (including closed circuit tele-*
 12 *vision) in interstate commerce.”.*

13 **SEC. 6. PUBLIC INTEREST DISCLOSURES TO STATE BOXING**
 14 **COMMISSIONS.**

15 (a) *IN GENERAL.*—The Professional Boxing Safety Act
 16 *of 1996 (15 U.S.C. 6301 et seq.), as amended by section*
 17 *5 of this Act, is amended by—*

18 (1) *redesignating section 17, as redesignated by*
 19 *section 5 of this Act, as section 18; and*

20 (2) *by inserting after section 16 the following:*

21 **“SEC. 17. REQUIRED DISCLOSURES TO STATE BOXING COM-**
 22 **MISSIONS.**

23 “(a) *SANCTIONING ORGANIZATIONS.*—Before sanction-
 24 *ing a professional boxing match in a State, a sanctioning*
 25 *organization shall provide to the boxing commission of, or*

1 *responsible for sanctioning matches in, that State a written*
2 *statement of—*

3 “(1) *all charges, fees, and costs the organization*
4 *will assess any boxer participating in that match;*

5 “(2) *all payments, benefits, complimentary bene-*
6 *fits, and fees the organization will receive for its af-*
7 *filiation with the event, from the promoter, host of the*
8 *event, and all other sources; and*

9 “(3) *such additional information as the commis-*
10 *sion may require.*

11 “(b) *PROMOTERS.—Before a professional boxing match*
12 *organized, promoted, or produced by a promoter is held in*
13 *a State, the promoter shall provide a statement in writing*
14 *to the boxing commission of, or responsible for sanctioning*
15 *matches in, that State—*

16 “(1) *a copy of any agreement in writing to*
17 *which the promoter is a party with any boxer partici-*
18 *pating in the match;*

19 “(2) *a statement made under penalty of perjury*
20 *that there are no other agreements, written or oral,*
21 *between the promoter and the boxer with respect to*
22 *that match; and*

23 “(3) *a statement in writing of—*

24 “(A) *all fees, charges, and expenses that will*
25 *be assessed by or through the promoter on the*

1 *boxer pertaining to the event, including any por-*
 2 *tion of the boxer’s purse that the promoter will*
 3 *receive, and training expenses; and*

4 *“(B) all payments, gifts, or benefits the pro-*
 5 *moter is providing to any sanctioning organiza-*
 6 *tion affiliated with the event.*

7 *“(c) INFORMATION TO BE AVAILABLE TO STATE AT-*
 8 *TORNEY GENERAL.—A promoter shall make information re-*
 9 *ceived under this section available to the chief law enforce-*
 10 *ment officer of the State in which the match is to be held*
 11 *upon request.*

12 *“(d) EXCEPTION.—The requirements of this section do*
 13 *not apply in connection with a professional boxing match*
 14 *scheduled to last less than 10 rounds.”.*

15 **SEC. 7. ENFORCEMENT.**

16 *Section 10 of the Professional Boxing Safety Act of*
 17 *1996 (15 U.S.C. 6309) is amended by—*

18 (1) *inserting a comma and “other than section*
 19 *9(b), 15, 16, or 17,” after “this Act” in subsection*
 20 *(b)(1);*

21 (2) *redesignating paragraphs (2) and (3) of sub-*
 22 *section (b) as paragraphs (3) and (4), respectively,*
 23 *and inserting after paragraph (1) the following:*

24 *“(2) VIOLATION OF ANTI-EXPLOITATION, SANC-*
 25 *TIONING ORGANIZATION, OR DISCLOSURE PROVI-*

1 *SIONS.—Any person who knowingly violates any pro-*
 2 *vision of section 9(b), 15, 16, or 17 of this Act shall,*
 3 *upon conviction, be imprisoned for not more than 1*
 4 *year or fined not more than—*

5 *“(A) \$100,000; and*

6 *“(B) if the violations occur in connection*
 7 *with a professional boxing match the gross reve-*
 8 *nues for which exceed \$2,000,000, such addi-*
 9 *tional amount as the court finds appropriate,*
 10 *or both.”; and*

11 *(3) adding at the end thereof the following:*

12 *“(c) ACTIONS BY STATES.—Whenever the chief law en-*
 13 *forcement officer of any State has reason to believe that a*
 14 *person or organization is engaging in practices which vio-*
 15 *late any requirement of this Act, the State, as parens*
 16 *patriae, may bring a civil action on behalf of its residents*
 17 *in an appropriate district court of the United States—*

18 *“(1) to enjoin the holding of any professional*
 19 *boxing match which the practice involves;*

20 *“(2) to enforce compliance with this Act;*

21 *“(3) to obtain the fines provided under sub-*
 22 *section (b) or appropriate restitution; or*

23 *“(4) to obtain such other relief as the court may*
 24 *deem appropriate.*

1 “(d) *PRIVATE RIGHT OF ACTION.*—Any boxer who suf-
 2 fers economic injury as a result of a violation of any provi-
 3 sion of this Act may bring an action in the appropriate
 4 Federal or State court and recover the damages suffered,
 5 court costs, and reasonable attorneys fees and expenses.”.

6 **SEC. 8. PROFESSIONAL BOXING SAFETY ACT AMENDMENTS.**

7 (a) *DEFINITIONS.*—Section 2 of the Professional Box-
 8 ing Safety Act of 1966 (15 U.S.C. 6301), as amended by
 9 section 5(c) of this Act, is amended by adding at the end
 10 thereof the following:

11 “(12) *SUSPENSION.*—The term ‘suspension’ in-
 12 cludes within its meaning the revocation of a boxing
 13 license.”.

14 (b) *STATE BOXING COMMISSION PROCEDURES.*—Sec-
 15 tion 7(a)(2) of such Act (15 U.S.C. 6306(a)(2)) is amend-
 16 ed—

17 (1) by striking “or” in subparagraph (C);

18 (2) by striking “documents.” at the end of sub-
 19 paragraph (D) and inserting “documents; or”; and

20 (3) adding at the end thereof the following:

21 “(E) unsportsmanlike conduct or other in-
 22 appropriate behavior inconsistent with generally
 23 accepted methods of competition in a profes-
 24 sional boxing match.”.