

Report on the

# Alabama Athletic Commission

Montgomery, Alabama



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October 16, 2019

Senator Chambliss  
Chairman, Sunset Committee  
Alabama State House  
Montgomery, AL 36130

Dear Senator Chambliss,

This report was prepared to provide information for use by the Sunset Committee in conducting its review and evaluation of the operations of the Alabama Athletic Commission in accordance with the *Code of Alabama 1975*, Section 41-20-9.

The report contains unaudited information obtained from the management, staff, and records of the Alabama Athletic Commission, in addition to information obtained from other sources.

Please contact me if you have any questions concerning this report.

Sincerely,

Rachel Laurie Riddle  
Chief Examiner

**Examiner**  
Christine Kilpatrick



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# **PROFILE**

## **Purpose/Authority**

The Alabama Athletic Commission was initially established as the Alabama Boxing Commission by Act No. 622, Acts of Alabama 2009, to be the sole regulator of professional boxing in Alabama. Act No. 222, Acts of Alabama 2010, changed the name of the Commission to the Alabama Athletic Commission and extended the Commission's authority to include regulation of mixed martial arts. Act No. 285, Acts of Alabama 2013, extended the Commission's authority to include regulation of professional wrestling and tough man contests. Act No. 491, Acts of Alabama 2019, added the regulation of professional bare knuckle boxing to the Commission's authority.

The Commission operates under the authority of the *Code of Alabama 1975*, Sections 41-9-1020 through 41-9-1040.

The following legislation was passed since the last Sunset Review of the Board:

Act No. 74, Acts of Alabama 2019 continued the existence of the Commission until October 1, 2020.

Act No. 491, Acts of Alabama 2019 amended Sections 41-9-1021, 41-9-1023, 41-9-1024, 41-9-1027 through 41-9-1038 relating to the regulation of professional bare knuckle boxing, revising the membership of the medical advisory panel, and authorizing the issuance of a temporary license.

<b><u>Characteristics</u></b>	
<b>Members and Selection</b>	Six members appointed as follows: <ul style="list-style-type: none"><li>• Two appointed by the Governor</li><li>• One appointed by the Alabama Athlete Agents Commission</li><li>• One appointed by the Speaker of the House of Representatives</li><li>• One appointed by the President of the Senate'</li><li>• One appointed by the President Pro Tempore of the Senate</li></ul> <p><i>Code of Alabama 1975</i>, Section 41-9-1023</p>
<b>Term</b>	Four-year staggered terms. No term limits.  <i>Code of Alabama 1975</i> , Section 41-9-1023(b)(2)

<b>Qualifications</b>	Members must be residents of Alabama.  <i>Code of Alabama 1975, Section 41-9-1023(b)(2)</i>
<b>Consumer Representation</b>	All members are consumer members. Members of the Commission must not be a member of, contract with, or receive any compensation from any person or organization who authorizes, arranges, or promotes matches, contests, or exhibitions of professional boxing, professional bare knuckle boxing, tough man contests, professional wrestling, amateur mixed martial arts, or professional mixed martial arts or who otherwise has a financial interest in any activity or licensee regulated by the Commission.  <i>Code of Alabama 1975, Section 41-9-1028</i>
<b>Racial Representation</b>	No specific statutory requirement. Two minority members serving.
<b>Geographical Representation</b>	No two members shall be from the same congressional district at the time of appointment.  <i>Code of Alabama 1975, Section 41-9-1023(b)(2)</i>
<b>Other Representation</b>	The membership of the Commission shall be inclusive and reflect the racial, gender, geographic, urban/rural, and economic diversity of the state.  <i>Code of Alabama 1975, Section 41-9-1023(b)(1)</i>
<b>Compensation</b>	Commission members do not receive compensation, but are reimbursed for necessary travel expenses at the same rate as provided for state employees.  <i>Code of Alabama 1975, Section 41-9-1023(e)</i>
<b>Attended Board Member Training</b>	Two Commission members Former Executive Director



<b><u>Operations</u></b>	
<b>Administrator</b>	<p>The Board contracts with Warren &amp; Company, Inc., a private management firm to provide administrative services, facilities and equipment, investigative services, and logistical support. Keith Warren, president of Warren &amp; Co. serves as the Board's Executive Director. The current annual contract amount through May 19, 2020 is \$84,000 plus expenses outside the scope of work required.</p> <p><i>Code of Alabama 1975, Section 41-9-1025</i></p>
<b>Location</b>	<p>2777 Zelda Road  Montgomery, AL 36106  Office Hours: Monday - Friday 8:30 am to 4:30 pm</p>
<b>Employees</b>	<p>None. The Commission contracts with Warren and Co. Inc. for administrative and investigative services.</p>
<b>Legal Counsel</b>	<p>J. Matt Bledsoe, Assistant Attorney General, employee of the Attorney General's Office</p>
<b>Subpoena Power</b>	<p>Yes, persons and records</p> <p><i>Code of Alabama 1975, Section 41-9-1024(h)(1)(c)</i></p>
<b>Internet Presence</b>	<p><a href="http://www.aac.alabama.gov">www.aac.alabama.gov</a>  Information available includes:  Home page  About page (Commission members and staff)  Rules (includes statutory authority)  Promoters  Participants  Officials  Medical  News  FAQs  Contact Information</p>

<b><u>Financial</u></b>	
<b>Source of Funds</b>	Licensure fees, event fees, and fines.
<b>State Treasury</b>	Yes, Special Revenue Fund 1126  <i>Code of Alabama 1975</i> , Section 41-9-1039
<b>Required Distributions</b>	No statutory requirements
<b>Unused Funds</b>	The Commission retains unused funds at fiscal year-end.  <i>Code of Alabama 1975</i> , Section 41-9-1039
<b><u>Licensee Information</u></b>	
<b>Licensees</b>	539 Licensees as of July 31, 2019  <i>Source:</i> Executive Director
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>• United States citizens or legally present in the United States.</li> <li>• Provide Social Security number or, in the case of a foreign licensee, any similar citizen identification number</li> <li>• Current Photo</li> <li>• Contestants must be covered by health insurance</li> <li>• Physical examination</li> <li>• At least 18 years of age (Tough man contestant cannot be over 37 years of age)</li> <li>• Contestants must meet all medical requirements</li> <li>• Promoters - post a security bond</li> <li>• Matchmakers – provide a list of professional fighters matched</li> <li>• Trainers – provide experience and list of fighters trained</li> <li>• Seconds – provide list of professional fighters and promoters as well as results of matches</li> <li>• Referees – list of professional matches and judges who scored as well as results of matches <ul style="list-style-type: none"> <li>➤ MMA, Amateur Kickboxing and Professional Kickboxing referees are required to pass an examination</li> </ul> </li> <li>• Judges and Timekeepers – list of professional matches and referees as well as results of matches;</li> </ul>

	<p>➤ MMA, Amateur Kickboxing and Professional Kickboxing judges are required to pass an examination</p> <p><i>Code of Alabama 1975</i>, Sections 41-9-1030(c)(4); 41-9-1031(b); 41-9-1033; 41-9-1036</p> <p><i>Administrative Rules</i> 165-X-1-.02, -.04, -.07; 165-X-2-.02, -.04, -.07; 165-X-3-.02, -.04; 165-X-4-.03, -.04, -.07; 165-X-5-.03; 165-X-6-.02, -.04, -.07; 165-X-7-.02, -.04, -.07.</p>
<b>Examinations</b>	<p>No examinations given.</p> <p>The Commission created rules requiring judges and referees of Mixed Martial Arts, Professional and Amateur Kickboxing to take an examination.</p> <p><i>See Continuing Prior Finding 2011-03</i></p> <p><i>Administrative Rules</i> 165-X-2-.07(6) &amp; (7); 165-X-6-.07(5) &amp; (6); 165-X-7-.07(5) &amp; (6)</p>
<b>Reciprocity</b>	None
<b>Renewals</b>	<p>Annually by December 31 No grace period Online renewal is not available</p> <p><i>Code of Alabama 1975</i>, Sections 41-9-1029(a)(2) and 41-9-1030(a)</p>
<b>Licensee Demographics</b>	<p>Data is not collected by the Commission.</p> <p><i>Source:</i> Executive Director</p>
<b>Continuing Education</b>	No requirement

## **SIGNIFICANT ISSUES**

**Significant Issue 2019-01- The Athletic Commission’s previous contract administrator did not deliver all of the Commission’s permanent and temporary records, books, documents, and personal property bought with Commission funds to the new contract administrator.** The Commission awarded an administrative services contract to a new contractor effective May 19, 2019. Upon receiving the Commission’s records, the new administrator discovered the following items were missing:

- Approved signed minutes for two meetings
- Meeting packets which included approved licensee lists for six meetings
- Licensure files and a complete licensure database
- Supporting documentation for the payment of fees
- Receipt books
- Complaint files and a complete complaint database
- Three printers
- Thermal laminator
- Digital camcorder with tripod
- Bookcase

The *Code of Alabama 1975*, Section 36-12-20 states, “In all cases in which it is not otherwise expressly provided, when any office is vacated, except by the death of the incumbent, all books, papers, property and money belonging or appertaining to such office shall, on demand, be delivered over to the qualified successor.”

**Commission’s Response** - Warren & Company, Inc. was awarded the administrative services contract through the competitive bid process procured through the Purchasing Division with the beginning date of service of May 19, 2019. The transfer of property was scheduled and took place on May 16, 2019, between both parties. Once the property was delivered to Warren & Company, a complete inventory was taken to determine records and property transferred. It was determined we did not have the items that are listed in the report. After several attempts with the previous administrator were made, it was determined the items were not in his possession and was in the possession of his previous employee and that he had lost contact with her. W&C Investigator was engaged to locate this previous employee and contact was made on June 18, 2019. W&C Investigator obtained commission records and delivered them to the office along with a written report for our records. A second contact with this individual was made on August 22, 2019, to determine they had found any additional records, since there were still missing documents; however, there were none.

While attending events to license participants, W&C staff identified individuals that were licensed (completed an application) at events prior to the May 19, 2019 administrative change and were politely asked for new applications to be completed and proper identification was obtained. In the absence of a current licensee database from the previous administrator, these applications were researched back at the office to

determine if a payment could be associated to the application. If so, a license was issued since licenses had not been issued by the previous administrator for several years.

The previous administrator has been contacted about the status of the thermal laminator, bookcase and digital camcorder with tripod, which had not yet been transferred. It is our understanding from the previous administrator that the camera tripod was broken at a fight and discarded; the thermal laminator will be forwarded to us, and location of the camera has not been determined at this time.

**Significant Issue 2019-02 – The Commission’s accounting records were not sufficiently maintained by the previous administrator to accurately reflect account transactions.** We could not determine if fees collected for licenses and all sporting events were collected and deposited in the Commission’s Special Revenue Fund. We noted the following discrepancies:

- Three cash receipts deposits totaling \$48,431.75 in fiscal year 2018, and four cash receipts deposits totaling \$42,221.84 in fiscal year 2019 had no supporting documentation attached to reflect if the money collected was for license fees or events. We could not determine which fiscal year the fees were collected in.
- Thirty-nine applicants received a license but there were no entries in the accounting records indicating that the Commission received and deposited the fees totaling \$1,170.00.

**Commission’s Response** - The new administrator's accounting staff keeps excellent records to ensure that each license is linked to the license fee transaction. This process includes documenting collection of appropriate fees, deposits specific to individual events, licensing year and fiscal year. The staff is in the process of updating and creating a new database for the current licensing year. This finding is resolved and will not be found in the next examination of the Commission.

**Significant Issue 2019-03 –The Board’s cash balance at the end of the fiscal year is declining.** The cash balance at the end of fiscal year 2016 was \$68,068.39, and the cash balance at the end of fiscal year 2017 was \$51,756.35, a decrease of \$16,312.04 (25.86%). The cash balance at the end of fiscal year 2018 was \$23,885.07, a decrease of \$27,871.28 (53.85%) from fiscal year 2017.

**Commission’s Response** – It has been determined that not all entities and individuals were licensed as required under the statute. The Commission is identifying entities promoting athletic events and those participating in those to ensure licensing fees are collected. With various changes to the statute and administrative changes, the Commission has been informed that there are plans to greatly increase the number of events held in the state, which will increase revenues. The Commission and Executive Director are closely monitoring expenses with the goal of an increase in cash balances at the end of fiscal year 2020. The Commission has great potential to be viable and operate on the revenue it generates from both licensing fees and the percentage of event ticket sales it collects. The greatest responsibility is to ensure the health, safety and welfare of the public and the participants of events throughout the State. This significant issue will be resolved.

**Significant Issue 2019-04 – The Commission has adopted administrative rules to charge fees for tough man competitors, matchmakers, referees, seconds, timekeepers, trainers, or judges of tough man contests.** The fees are not authorized by statute. The *Code of Alabama 1975*, Sections 41-9-1024(a)(5) and 41-9-1029 only authorize the Commission to license tough man promoters and issue permits for tough man contests.

**Commission’s Response** - The Commission will revise the regulations to reflect only the fees are that statutorily authorized. These fees have not been collected and there are no event permit requests for tough man contests at this time. This significant issue will be resolved.

**Significant Issue 2019-05 - The Commission has not developed any procedures for handling complaints.** The Commission has no procedures in place to determine who can file a complaint; how a complaint is filed; if anonymous complaints are accepted; the investigative process; probable cause determination; if negotiated settlements are allowed; and formal hearing procedures.

**Commission’s Response** - At its last meeting on July 11, 2019, the Commission reviewed and discussed complaint procedures and these procedures are scheduled to be adopted at its meeting scheduled for October 17, 2019. This significant issue will be resolved.

## **STATUS OF PRIOR FINDINGS/SIGNIFICANT ISSUES**

All prior findings and significant issues have been resolved, except the following.

**Prior Significant Issue 2018-03 - Mowery Consulting Group LLC, the Commission’s contractor for administrative services, made payments from the Commission’s funds totaling \$9,444.04 between the period of October 1, 2013 and March 31, 2017 for purchases of office equipment, office supplies and services that were not authorized under the terms of the Invitation to Bid Response.** The bid provisions state that, “Payment shall be made only to the contractor, and the Commission shall have no obligation to any other person or corporation for expenses incurred by the Contractor. The Contractor has no authority to make any contracts, oral or written, in the name of the Commission.”

Mowery Consulting Group, LLC made the following payments to third parties from the Commission’s funds. We found no record of the Commission’s approval of the following expenditures:

- \$1,270.68 for equipment costing under \$500 (including 3 printers, a laminator, a digital camcorder with tripod, 4-40 mile radius radios with headsets, 4-drawer, vertical file cabinet with lock, and 3 shelf bookcase).
- \$605.79 for office accessories (including mouse pad, laser mouse, wireless keyboard and mouse, 2 portable batteries, desk stapler, 4 memory drives, 2

memory cards, 2 USB device cables, 2 totes, chair mat, docking lamp, pre-inked stamp, 3 mobile folding carts, recycling bin, and handi-truck).

- \$2,460.90 for ink and printer drum purchases.
- \$1,164.36 for shirts and emblems (including 20 shirts for referees, 5 shirts for Commissioners, 9 polo shirts for inspectors and door wardens).
- \$783.08 for printing, copying, emailing and scanning services.
- \$2,886.43 for office supplies (such as paper, pens, folders, tapes, scissors, etc.).
- \$272.80 for personal purchases not including items reimbursed to the Commission (such as air horns, water, fashion first aid staple, thank you cards, travel size antiseptic, paper towels, static IP address charges on personal home Internet, Samsonite travel key locks, backpack, thoughtimers, and wireless gear for iPod/iPhone/iPad).

The Response to the Invitation to Bid provisions states the following:

Part II – Scope of Work Required: The Contractor shall provide the following services:

A. Office Space and Communications

**1. Office Facilities**

1.2 Office facilities will be located at Contractor's current place of business at 260

Commerce Street, 4<sup>th</sup> Floor, Montgomery, Alabama 36104. Office contains *all required furniture and materials*. Including, but not limited to desks, chairs, copy machines, and computers. ... [Emphasis added.]

1.3 The office has a large reception area. There are four (4) additional offices, a file room, a kitchen, a storage room and a meeting room. The meeting room can accommodate at least ten people for work sessions.

**2. Telephone, E-mail, Website and Other Communications Services**

- Mowery Consulting Group, LLC has an established internet domain, moweryconsulting.com, with each employee assigned an individual email account. Mowery Consulting Group, LLC will continue to maintain the email address specifically in the name of the Commission to serve as a communications link between registrants and the Commission. Contractor agrees to put in place electronic forms for licensees in both Boxing and Mixed Martial Arts, and any other sport the athletic commission may cover in the future. Furthermore, there will be electronic communications on at least a weekly basis between the Commission and the contractor's staff. Email communications will include the status of the number of registrations received and number approved or denied as well as upcoming approved events.
- Contractor agrees to provide a dedicated phone line in the name of the Alabama Athletic Commission. Mowery and Associates maintains a fax line via E-Fax in order to receive faxes 24 hours a day. Telephone number will be created to handle all Alabama Athletic Commission inquiries.
- Mail for the Alabama Athletic Commission will be received at Mowery Consulting's office address.
- Mowery Consulting Group, LLC will maintain a database of licensees and manage the ID Cards for licensees to include a photo credit card type license.

- Mowery Consulting will use Microsoft Office and the Open Office suite of software. Mowery Consulting will be backing up files with the Dropbox service as well as a backup copy in Bank Safety Deposit Box. ...

**Records and Correspondence Concerning Applicants, Registrants, and Disciplinary Actions**

... Mowery Consulting, LLC maintains a high-speed internet line to handle all computer and electronic communications. ...

**Administrative Support**

Contractor will serve as the Administrative Office for the Commission. Duties to be performed include:

1. Preparation and dissemination of notices, agendas, and minutes...
2. Provide administrative support necessary to ensure proper operation and performance of the Commission, including the routing of general correspondence ...
3. Handle complaints and applications ...
4. Issue licenses...
5. Conduct periodic inspections...
6. Compile files and dossiers...
7. Printing, updating and distributing the most current correspondence of the Commission to include notices for license renewals, application packets, licenses, directories, newsletters, handbooks, legal notices, etc.
8. Performing all other duties as may be necessary for operation of the board. ...
9. Perform all other duties as requested and agreed upon by the board as provided in call for bids.

**Compensation and Expenses**

A. Base Service Load

All proposed fees are effective for 9-0 days from the due date of this ITB.

1. Contractor agrees to the sum of \$70,000 to be paid monthly in payment of \$5833.33 for the base load of 200 hours per month.
2. Anticipate the number of hours will be approximately 300 for all services requested.
3. Should the Commission authorize the action, the Contractor will provide interactive website services for an additional sum of \$24,000 to be paid monthly in payments of \$2,000.

The Alabama Athletic Commission will also reimburse Mowery Consulting Group for travel expenses incidental to performing of duties outlined in this contract.

**These bids do not include the following:**

- 1) Fees and/or charges from the Department of Finance for processing vouchers and deposit of receipts or for any Board approved service provided by ISD.
- 2) Fees and/or charges from Legislative Reference Service for the filing and advertising of Rules and Regulations approved by the Board.
- 3) Board Member Travel or Compensation
- 4) Costs or Premiums for General Liability Coverage and Blanket Fidelity and Dishonesty Bond for Board Members by Risk Management Department.
- 5) Any other expenses outside the scope of work/services of the vendor that are approved by the Board.



**Current Status 2019** - The contractor, McCormick Co., LLC, spent \$247.10 for a thousand wristbands and \$570.90 for twenty referee shirts without prior approval by the Commission.

**Commission's Response** - Unresolved in regard to previous contractors. Warren & Company outlined in the Administrative Services contract that all expenses not outlined would be presented and approved by the Commission prior to purchasing and would also ensure that all purchases are made through approved vendors with the Purchasing Department

**Prior Significant Issue 2018-05 – The Commission adopted Administrative Rules 165-X-1-.02; 165-X-2.02; 165-X-3.02; 165-X-6-.02; 165-X-7-.02 to charge promoters a late fee of \$50 or 20% of the match permit fee.** The Commission members also approved charging participants a \$75 fee to attend a training seminar. Neither fee is authorized by the Commission's statutes.

The *Code of Alabama 1975*, Section 41-9-1029(c)(2) states, "Each application for a match permit shall be on a form provided by the commission and shall be accompanied by a nonrefundable application fee not to exceed two hundred fifty dollars (\$250). The commission may charge *an additional* match fee in accordance with rules and regulations promulgated by the commission." (Emphasis added) The Commission charges an application fee and an additional match permit fee; there is no provision for a late match permit fee in the statutes.

*Attorney General Opinion* 87-00222 states, "Where the legislature has established a sufficiently definite policy, standard, or rule an administrative agency may be empowered to deal with the issuing of a license or permit and to fix reasonable fees for such issuance; where the legislature *has not established* such a sufficiently definite policy, rule, or standard the administrative agency *may not* be empowered to deal with such issuing of licenses or permits or establishing of fees." (Emphasis added).

**Current Status 2019 - Partially resolved.** The Commission no longer charges for attendance at training seminars. The Commission amended the rule regarding the amount of the late fee; however, the conflict with the statutes for charging additional fees for a late match permit still exists. The rule now states, "The promoter shall have thirty (30) days to submit the Permit Fee. Permit applications and fees not received within thirty (30) days of the planned event may be subject to an additional match permit application and match permit application fee."

**Commission's Response** - The Commission will correct the late match permit fee at its October 17, 2019 meeting along with other revisions to the rules. This finding will be resolved.

**Prior Significant Issue 2018-06 - The Commission has not completed the enrollment process for the Systematic Alien Verification for Entitlements (SAVE) program.** The Commission has made an effort to comply by requiring applicants and licensees to document citizenship or legal presence on application forms.

The Beason-Hammon Alabama Taxpayer and Citizen Protection Act of 2011 (Immigration Act), now codified as Title 31, Chapter 13 of the *Code of Alabama 1975*, has been in effect since September 1, 2011.

The *Code of Alabama 1975*, Section 31-13-7(i) states, “The verification that an alien seeking state or local public benefits is an alien lawfully present in the United States shall be made through the Systematic Alien Verification for Entitlements (SAVE) program, operated by the United States Department of Homeland Security.”

**Current Status 2019** – The Commission has still not completed the enrollment process for the SAVE program.

**Commission’s Response** - A new application for enrollment was submitted by Warren & Company along with all applicable documents. As of September 17, 2019, no other documentation was required, and approval is forthcoming. This finding is resolved.

**Prior Significant Issue 2018-08 - The Commission approved new policies and procedures regarding the appointment, attire and performance of officials at Alabama Athletic Commission events.** These “policies and procedures” fall within the definition of a rule but were not formally adopted using the proper administrative procedures for rule-making.

The *Code of Alabama 1975*, Section 41-22-3 (9) defines a rule as “ Each agency *regulation, standard, or statement of general applicability that implements, interprets, or prescribes law or policy, or that describes the organization, procedure, or practice requirements* of any agency *and includes any form which imposes any requirement or solicits any information not specifically required by statute or by an existing rule or by federal statute or by federal rule or regulation*; provided, however, all forms shall be filed with the secretary of the agency and with the Legislative Reference Service and all forms, except intergovernmental, interagency, and intra-agency forms which do not affect the rights of the public and emergency forms adopted pursuant to Section 41-22-5, shall be published in the Agency Administrative Code.” [Emphasis added]

**Current Status 2019** - The Commission still has not adopted administrative rules in accordance with the Administrative Procedures Act for the Commission approved policies and procedures regarding the appointment, attire and performance of officials at events.

**Commission’s Response** - The Commission will include the appointment, attire and performance of officials at events policies and procedures in the proposed rules to be promulgated at its October 17, 2019 meeting. This finding will be resolved.

**Prior Significant Issue 2018-09 - Commission members are not being appointed according to the Commission’s statute.** Two Commission members were appointed from Congressional District 2, and two members were appointed from Congressional District 4.

According to the *Code of Alabama 1975*, Section 41-9-1023(b)(2) "... No two members shall be from the same congressional district at the time of appointment."

**Current status 2019** - Two members are currently serving from District 4.

**Commission's Response** – As the two Commission positions serving congressional district 4 expire, we will ensure nominations presented to the appointing authority do not reside in this district. The Commission will be cognizant of congressional districts in future nominations for appointments. This finding will continue to be unresolved until new appointments are made to the Commission in 2022.

**Prior Significant Issue 2011-03 - In the previous finding, we discovered licensee records were insufficient to document qualifications of applicants for licensure.**

The finding has been partially resolved. In the prior report, a sample of the Commission's records of 11 licensees was tested in order to determine if legal requirements for licensure were met. Six (6) of the sampled licensee records did not contain documentation showing that necessary requirements were met. Records for a licensed Matchmaker, Trainer, and a Second did not include documentation showing that experience requirements were met. Records for a licensed Timekeeper and Referee did not include documentation showing experience requirements were met, or that they had passed a required examination administered by the Commission.

The *Code of Alabama 1975*, Section 41-9-1030(c)(2) states: "The Commission shall issue a license under this section only if:...(2) The applicant has complied with all applicable requirements of this article and any rules and regulations promulgated pursuant to this article." The Commission has established the following requirements in its administrative rule 165-X-2-.03 which, when adopted, carries the force of law.

- "A matchmaker shall demonstrate to the Commission that he or she has at a minimum five years' experience in matchmaking, and shall produce a list of all professional fights that he or she has matched, the promoters who promoted the matches, and results of the matches."
- "An applicant shall demonstrate to the Commission that he or she has at a minimum one year experience in serving as a second, and shall produce a list of all professional fighters that he or she has served as a second, the promoters who promoted the matches, and the results of the matches."

The Commission has established the following requirements in its administrative rule 165-X-7-.01:

- "An applicant shall demonstrate to the Commission that he or she has, at a minimum five, years' experience in refereeing, and shall produce a list of all professional matches that he or she has served as a referee, the judges who scored the matches, and results of the matches. ...A referee must pass an examination administered by the Commission in order to be licensed as a referee."

- “An applicant shall demonstrate to the Commission that he or she has at a minimum five years’ experience in timekeeping, and shall produce a list of all professional matches that he or she has served as an official timekeeper, the referees who refereed the matches, and the results of the matches. ...A timekeeper must pass an examination administered by the Commission in order to be licensed as a timekeeper.”

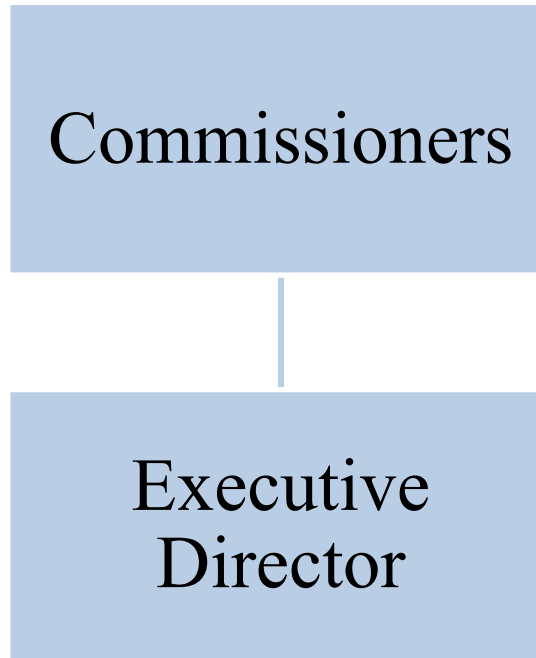
**Current Status 2019** – We reviewed forty licensure files. Sixteen of the forty files had the following discrepancies:

- Applications were missing for eight licensees.
- Licensees’ addresses, social security numbers, and date of births were not included on the applications.
- Three applicants were licensed without taking the required examinations.

**Commission’s Response** - As previously stated, while attending events to license participants, we identified individuals that were licensed (completed an application) at events prior to the May 19, 2019 administrative change and therefore politely asked for new applications to be completed and obtain the proper identification. These applications were researched back at the office to determine if a payment could be associated to the application. If so, a license was issued since licenses were not issued by the previous administrator for several years.

There have been 358 licenses issued since May 19, 2019 and all required documentation is in each licensing file as required. Each licensee has received a physical license, which had not done by the previous administrator. The new Commission Staff will ensure that all required documentation is received and filed accordingly as well as all requirements are met prior to issuing a temporary or permanent license. This finding is resolved.

## **ORGANIZATION**



## **PERSONNEL**

The Commission does not have employees. The Commission contracts with Warren & Company, Inc. for management services and office space. Keith Warren, president of Warren & Company, Inc., serves as the Commission's executive director. The current annual contract amount is \$84,000 plus event expenses.

### **Legal Counsel**

J. Matt Bledsoe, Assistant Attorney General of the Attorney General's office, provides legal counsel to the Board.

## **PERFORMANCE CHARACTERISTICS**

### **Number of Persons per Permit in Alabama and Surrounding States**

	<b>Population (estimate)*</b>	<b>Number of Licensees</b>	<b>Persons Per Licensee</b>
<b>Alabama</b>	<b>4,888,949</b>	<b>539</b>	<b>9,070</b>
Florida	21,312,211	1,649	12,924
Georgia	10,545,138	295	35,746
Mississippi <sup>(1)</sup>	2,982,785	-	-
Tennessee	6,782,564	509	13,325
<b>*Source:</b> U.S. Census, September 2018 Population Estimates			

<sup>(1)</sup> Information not available

### **Operating Disbursements per Licensee (FY2018) – \$226.82**

### **Fines/Penalties as a Percentage of Operating Receipts**

	<b>FY 2018</b>	<b>FY 2017</b>	<b>FY 2016</b>	<b>FY 2015</b>
Total Receipts less Fines	\$ 94,384.81	\$ 96,091.44	\$ 139,157.95	\$ 115,378.29
Total Fines	-	-	10,000.00	400.00
<b>Percentage</b>	<b>0.0%</b>	<b>0.0%</b>	<b>7.19%</b>	<b>0.35%</b>

### **Notification of Commission decisions to Amend Administrative Rules**

The Commission complied with notification procedures prescribed in the Administrative Procedure Act, which includes publication of proposed rules in the Administrative Monthly, and public hearings on proposed rules. Licensees are not specifically notified of proposed changes.

## **COMPLAINT HANDLING**

The Commission adopted Administrative Rules 165-X-1-.03(3), 165-X-2-.03(3), 165-X-4-.03(4), 165-X-5-.07(3)(d), 165-X-6-.03(3), and 165-X-7-.03(3) for the recording and documenting of complaints. The Commission has not developed procedures for accepting; and processing complaints. (*See Significant Issue 2019-07*).

There was no documentation available to determine if any complaints were received for fiscal years 2017 and 2018.

## **REGULATION IN CONJUNCTION WITH OTHER ENTITIES**

There is no direct overlap of regulation with other state or federal agencies.

## **FINANCIAL INFORMATION**

**Source of Funds** – Licensure fees and fines.

**Fund** - The Commission operates from Special Revenue Fund 1266 maintained in the State Treasury as authorized by the *Code of Alabama 1975*, Section 41-9-1039. The Commission cannot expend funds without an appropriation from the Legislature. Unexpended balances are remain on hand for subsequent appropriation and expenditure.

### **Schedule of Fees**

<b>Fee Type/Purpose</b>	<b>Statutory Authority</b>	<b>Rule</b>	<b>Amount Authorized</b>	<b>Amount Collected</b>
<b>PROFESSIONAL BOXING, MIXED MARTIAL ARTS (MMA) and KICKBOXING</b>				
Boxer MMA Kickboxer	41-9-1030	165-X-1-.02 165-X-2-.02 165-X-6-.02	≤ \$250	\$30
Trainer or Second	41-9-1030	165-X-1-.02 165-X-2-.02 165-X-6-.02	≤ \$250	\$30
Manager or Matchmaker	41-9-1030	165-X-1-.02 165-X-2-.02 165-X-6-.02	≤ \$250	\$75
Timekeeper Judge Referee	41-9-1030	165-X-1-.02 165-X-2-.02 165-X-6-.02	≤ \$250	\$100
Promoter	41-9-1024 41-9-1029	165-X-1-.02 165-X-2-.02 165-X-6-.02	≤ \$250	\$250
Match Permit Application Fee	41-9-1029	165-X-1-.02 165-X-2-.02 165-X-6-.02	≤ \$250	\$250
Late Match Permit Fee <sup>(1)</sup>	Not in statutes	165-X-1-.02 165-X-2-.02 165-X-6-.02	None Authorized	Additional Match Permit Application and Match Permit Fee

<b>NON-TELEVISED EVENTS PROFESSIONAL BOXING, MMA, AND KICKBOXING</b>				
Additional Match Permit Fee	41-9-1029	165-X-1-.02 165-X-2-.02 165-X-6-.02	To be determined by Commission	5% of gross sales - minimum of \$250.00
<b>TELEVISED EVENTS (PROFESSIONAL BOXING, MMA, and KICKBOXING)</b>				
Additional Match Permit Fees with Receipts ≤ \$1,000,000	41-9-1029	165-X-1-.02 165-X-2-.02 165-X-6-.02	To be determined by Commission	3% of the gross receipts, capped at \$50,000.00
Additional Match Permit Fees with Receipts \$1,000,000 to \$3,000,000	41-9-1029	165-X-1-.02 165-X-2-.02 165-X-6-.02	To be determined by Commission	1% of the gross receipts, capped at \$50,000.00
<b>TOUGHMAN</b>				
Tough Man Competitor*	Not in statutes	165-X-4-.02	None authorized	\$30
Promoters	41-9-1024 41-9-1029	165-X-4-.02	≤ \$250	\$250
Application for Match Permit Fee	41-9-1029	165-X-4-.02	≤ \$250	\$250
Matchmaker*	Not in statutes	165-X-4-.02	None authorized	\$75
Referee* Second* Timekeeper* Trainer* Judge*	Not in statutes	165-X-4-.02	None authorized	\$10
Application for Match Permit Fee	41-9-1029	165-X-4-.02	≤ \$250	\$250
<b>PROFESSIONAL WRESTLING</b>				
Wrestler	41-9-1030	165-X-5-.02	≤ \$250	\$30
Wrestling Sanctioning Organization License	41-9-1030	165-X-5-.02	≤ \$1,000	\$100
Promoter License	41-9-1029	165-X-5-.02	≤ \$250	\$100
Event Permit Application Fee	41-9-1029	165-X-5-.02	≤ \$250	\$25
Additional Event Permit Fee – Not Broadcast Live or Taped	41-9-1029	165-X-5-.02	To be determined by Commission	5% of gross ticket receipts less permit fee



Additional Event Permit Fee - Live & Taped Broadcast Fee <sup>(2)</sup>	41-9-1029	165-X-5-.02	Not stated	3% of TV/broadcasting revenue
<b>AMATEUR MIXED MARTIAL ARTS AND KICKBOXING</b>				
MMA Competitor Kickboxer	41-9-1030	165-X-3-.02 165-X-7-.02	≤ \$250	\$25
Trainer or Second	41-9-1030	165-X-3-.02 165-X-7-.02	≤ \$250	\$30
Manager or Matchmaker	41-9-1030	165-X-3-.02 165-X-7-.02	≤ \$250	\$75
Timekeeper Judge Referee	41-9-1030	165-X-3-.02 165-X-7-.02	≤ \$250	\$100
Promoter	41-9-1024 41-9-1029	165-X-3-.02 165-X-7-.02	≤ \$250	\$250
Match Permit Application Fee	41-9-1029	165-X-3-.02 165-X-7-.02	≤ \$250	\$250
Additional Match Permit Fee	41-9-1029	165-X-3-.02 165-X-7-.02	To be determined by Commission	5% of gross sales - a minimum of \$250.00
Late Match Permit Fee <sup>(1)</sup>	Not in statutes	165-X-3-.02 165-X-7-.02	None Authorized	Additional Match Permit Application and Match Permit Fee
Returned Check	8/8/15	165-X-1-.02 165-X-2-.02 165-X-3-.02 165-X-4-.02 165-X-5-.02 165-X-06-.02 165-X-07-.02	≤ \$30	\$30

\*Fees have not been charged to date

<sup>(1)</sup> See Prior Significant Issue 2018-05

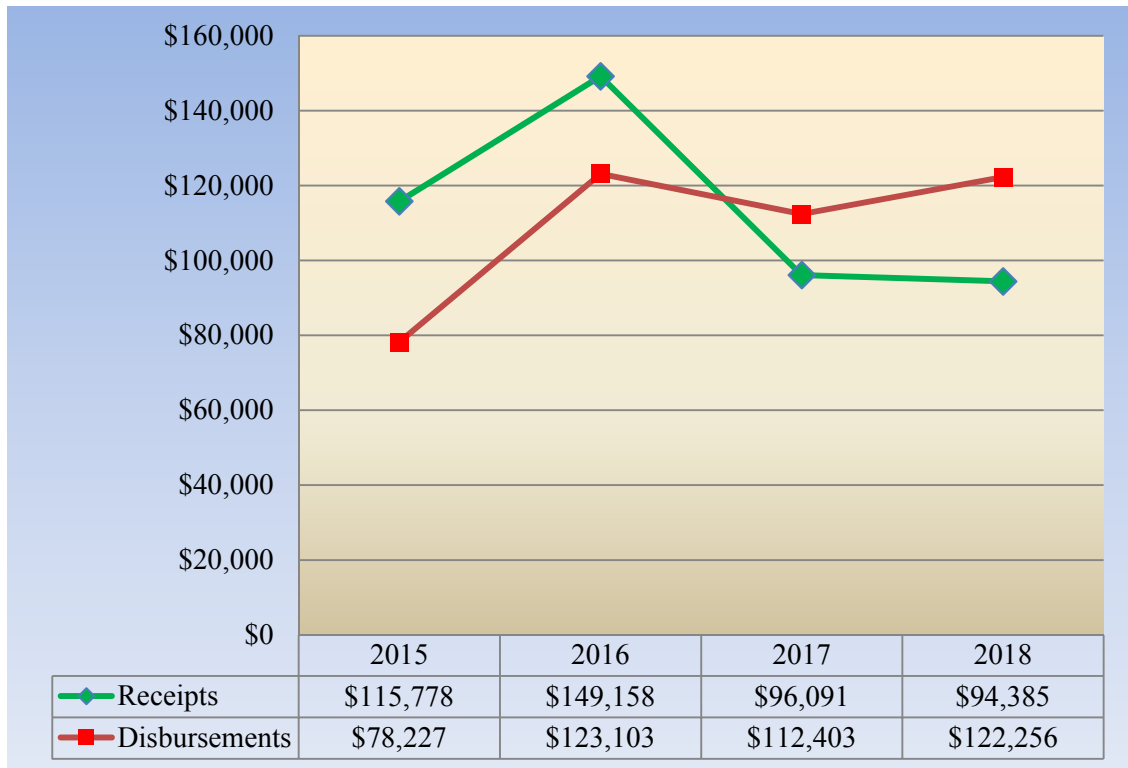
<sup>(2)</sup> Event fees (match permit + additional fees) for wrestling events may not exceed \$50,000

**Schedule of Receipts, Disbursements and Balances**

October 1, 2014 through September 30, 2018

	<b><u>2017 - 2018</u></b>	<b><u>2016 - 2017</u></b>	<b><u>2015 - 2016</u></b>	<b><u>2014 - 2015</u></b>
<b><u>Receipts</u></b>				
Licenses and Permits	\$ 94,384.81	\$ 96,091.44	\$ 139,157.95	\$ 115,378.29
Fines/Penalties	-	-	10,000.00	400.00
Total	<u>94,384.81</u>	<u>96,091.44</u>	<u>149,157.95</u>	<u>115,778.29</u>
<b><u>Disbursements</u></b>				
Travel In State	1,871.91	4,231.29	2,587.74	6,728.83
Travel Out-of-State	-	-	1,146.80	-
Rentals and Leases	-	-	-	75.00
Utilities & Communication	-	94.00	94.00	250.60
Professional Services	118,846.18	97,617.49	112,556.22	68,250.94
Supplies, Materials, & Operating Expenses	938.00	3,450.99	5,615.47	2,921.50
Other Equipment Purchases	600.00	7,009.71	1,102.72	-
Total	<u>122,256.09</u>	<u>112,403.48</u>	<u>123,102.95</u>	<u>78,226.87</u>
Excess (Deficiency) of Receipts over Disbursements	(27,871.28)	(16,312.04)	26,055.00	37,551.42
Cash Balance at Beginning of Year	<u>51,756.35</u>	<u>68,068.39</u>	<u>42,013.39</u>	<u>4,461.97</u>
Cash Balances at End of Year	23,885.07	51,756.35	68,068.39	42,013.39
Reserve for Unpaid Obligations	<u>(18,900.00)</u>	<u>(45,700.00)</u>	<u>(63,100.00)</u>	<u>(25,398.99)</u>
Unreserved Cash Balance at End of Year	<u>\$ 4,985.07</u>	<u>\$ 6,056.35</u>	<u>\$ 4,968.39</u>	<u>\$ 16,614.40</u>

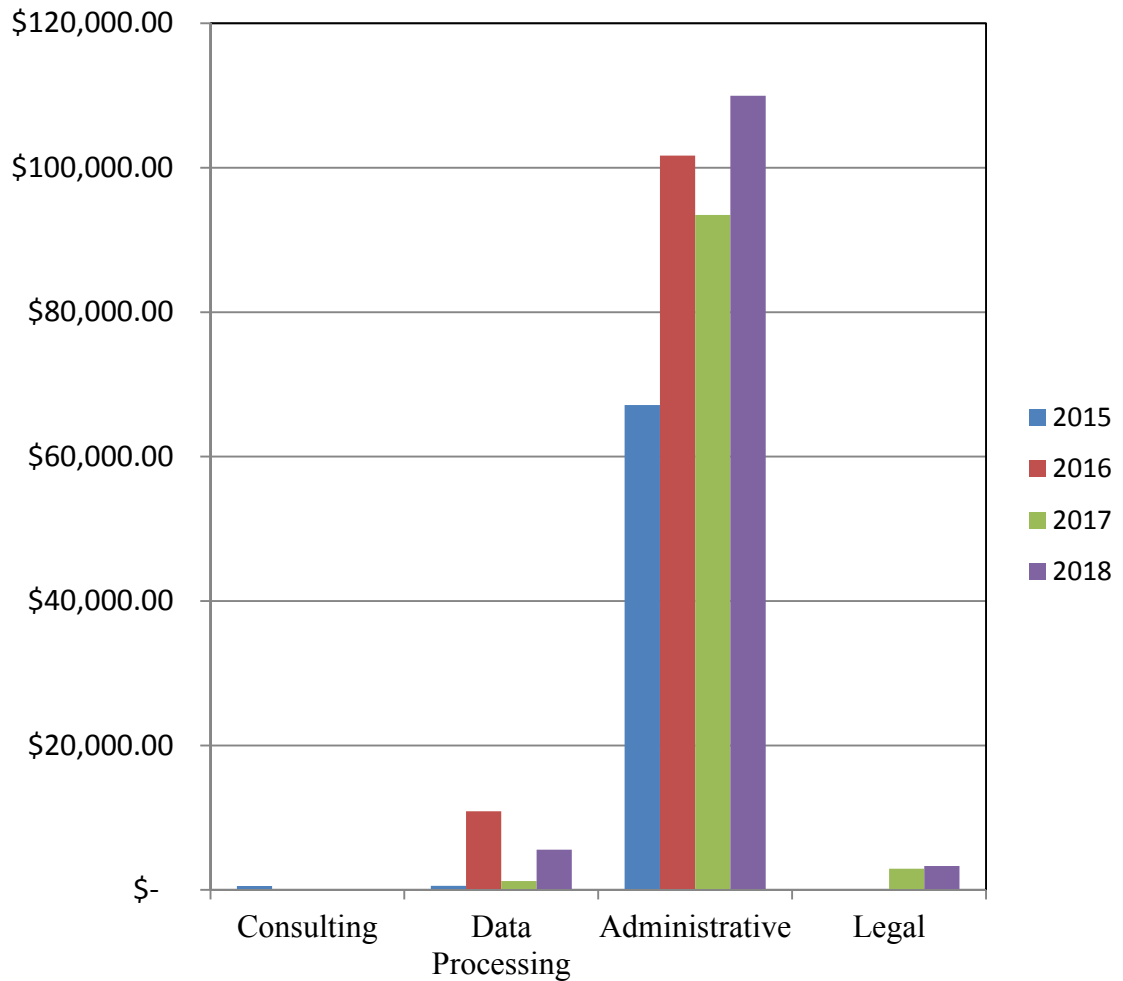
**Operating Receipts vs. Operating Disbursements (Chart)**



<b>SUMMARY SCHEDULE OF PROFESSIONAL SERVICE DISBURSEMENTS*</b>				
As of September 30th				
<b>Type of Service</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Consulting	\$ 550.00	\$0.00	\$0.00	\$0.00
Data Processing	566.98	10,876.24	1,225.62	5,578.21
Administrative	67,133.96	101,679.98	93,466.87	109,967.97
Legal	0.00	0.00	2,925.00	3,300.00
<b>Total</b>	<b>\$ 68,250.94</b>	<b>\$ 112,556.22</b>	<b>\$ 97,617.49</b>	<b>\$ 118,846.18</b>

\*Detailed information presented in the appendix

### Professional Service Disbursement Chart



## **APPENDICES**

### **Applicable Statutes**

#### **Section 41-9-1020** Short title.

This article shall be known and may be cited as the Alabama Boxing, Wrestling, and Mixed Martial Arts Act.

*(Act 2009-622, p. 1872, § 1; Act 2010-222, p. 392, p. 392, § 1; Act 2013-285, § 1.)*

#### **Section 41-9-1021** Definitions.

As used in this article, the following terms shall have the following meanings:

(1) Amateur. A person who engages in a match, contest, or exhibition of boxing, tough man contests, wrestling, or mixed martial arts, for no compensation or thing of value for participating, which is governed or authorized by any of the following:

- a. U.S.A. Boxing.
- b. The Alabama High School Athletic Association.
- c. The National Collegiate Athletic Association.
- d. Amateur Athletic Union.
- e. Golden Gloves.
- f. The local affiliate of any organization listed in this subdivision.
- g. USA Wrestling.
- h. The National Junior College Athletic Association.
- i. The National Association of Intercollegiate Athletics.
- j. The National Collegiate Wrestling Association.
- k. Any organization licensed by the commission.

(2) Boxing match. A contest between two individuals in which contestants score points in rounds of two or three minutes by striking with gloved fists the head and upper torso of the opponent or by knocking the opponent down and rendering the opponent unconscious or incapable of continuing the contest by the blows, which contest is held in a square ring supervised by a referee and scored by three judges.

(3) Boxing registry. A registry created or designated pursuant to subsection (k) of Section 41-9-1024.

(4) Charitable organization. An entity described by either of the following:

- a. Section 501(c)(3), Internal Revenue Code of 1986 (26 U.S.C. Section 501(c)(3)).
- b. Section 170(c), Internal Revenue Code of 1986 (26 U.S.C. Section 170(c)).

(5) Commission. The Alabama Athletic Commission.

(6) Exhibition. A contest where the participants engage in the use of boxing skills and techniques, tough man skills and techniques, wrestling skills and techniques, or mixed martial arts skills and techniques, or any or all of these, and where the objective is to display the skills and techniques without striving to win.

(7) Face value. The dollar value of a ticket or order shall reflect the dollar amount that the customer shall pay in order to view the match, contest, exhibition, or entertainment event. Face value shall include any charges or fees, such as dinner, gratuity, parking, surcharges, or any other charges or fees which are charged to and must be paid by the customer in order to view the match, contest, exhibition, or entertainment event. It shall exclude any portion paid by the

customer for federal, state, or local taxes.

(8) Gross receipts. Any of the following:

- a. The gross price charged for the sale or lease of broadcasting, television, closed circuit, or motion picture rights without any deductions for commissions, brokerage fees, distribution fees, production fees, advertising, or other expenses or charges.
- b. The face value of all tickets sold.

(9) Manager. A person who, under contract, agreement, or other arrangement with a boxer or a mixed martial arts competitor, undertakes to control or administer, directly or indirectly, a matter on behalf of a boxer or a mixed martial arts competitor. The term includes, but is not limited to, a person who functions as a booking agent, adviser, or consultant.

(10) Matchmaker. A person who is employed by or associated with a promoter in the capacity of booking and arranging professional matches, contests, or exhibitions of boxing or mixed martial arts between opponents or who proposes professional matches, contests, or exhibitions of boxing or mixed martial arts and selects and arranges for the participants in such events and for whose activities in this regard the promoter is legally responsible.

(11) Mixed martial arts. Unarmed combat involving the use of any combination of techniques from different disciplines of the martial arts, including, without limitation, grappling, submission holds, throws, and striking or kicking with the hands, feet, knees, or elbows. The term mixed martial arts includes kickboxing.

(12) Person. An individual, partnership, firm, association, corporation, or combination of individuals of whatever form or character.

(13) Physician. A doctor of medicine or doctor of osteopathy licensed to practice medicine in the State of Alabama.

(14) Professional. A person who is participating or has participated in a match, contest, or exhibition of boxing, wrestling, or mixed martial arts which is not governed or authorized by one or more of the organizations listed in subdivision (1) and any of the following:

- a. Has received or competed for or is receiving or competing for any cash as a salary, purse, or prize for participating in any match, contest, or exhibition of boxing, wrestling, or mixed martial arts.
- b. Is participating or has participated in any match, contest, or exhibition of boxing, wrestling, or mixed martial arts to which admission is granted upon payment of any ticket for admission or other evidence of the right of entry.
- c. Is participating or has participated in any match, contest, or exhibition of boxing, wrestling, or mixed martial arts which is or was filmed, broadcast, or transmitted for viewing.
- d. Is participating or has participated in any match, contest, or exhibition of boxing, wrestling, or mixed martial arts which provides a commercial advantage by attracting persons to a particular place or promoting a commercial product or enterprise.

(15) Professional match of boxing, wrestling, or mixed martial arts.

- a. A boxing match, contest, or exhibition; a wrestling match; or a mixed martial arts match, contest, or exhibition, which is not governed or authorized by one or more of the organizations listed in subdivision (1) and which does any of the following:
  1. Rewards a boxer, wrestler, or mixed martial arts competitor participating with cash as a salary, purse, or prize for such participation.
  2. Requires for admission payment of a ticket or other evidence of the right of entry.
  3. Is filmed, broadcast, or transmitted for viewing.
  4. Provides a commercial advantage by attracting persons to a particular place or promoting a commercial product or enterprise.

b. The term does not include unarmed combat.

(16) Professional wrestling. Any organized event between two unarmed contestants in which participants compete primarily for the purpose of providing entertainment to spectators that may or may not comprise a bona fide athletic contest or competition.

(17) Promoter. The person primarily responsible for organizing, promoting, and producing a match, contest, or exhibition of professional boxing, tough man contest, professional wrestling, or mixed martial arts and who is legally responsible for the lawful conduct of such professional match, contest, or exhibition.

(18) Purse or ring earnings. The financial guarantee or any other remuneration, or part thereof, which a professional boxer, wrestler, or mixed martial arts competitor participating in a match, contest, or exhibition will receive and includes any share of any payment received for radio broadcasting, television, or motion picture rights.

(19) Tough man contest. A boxing match and tournament where each contestant wears headgear and oversized gloves. A contestant in a tough man contest is not an amateur or a professional and cash prizes may be awarded.

(20) Unarmed combat.

a. Any form of competition between human beings in which both of the following occurs:

1. One or more blows are struck which may reasonably be expected to inflict injury on a human being.

2. There is some compensation or commercial benefit arising from such competition, whether in the form of cash or non-cash payment to the competitors or the person arranging the competition; the sale of the right to film, broadcast, transmit, or view the competition; or the use of the competition to attract persons to a particular location for some commercial advantage or to promote a commercial product or commercial enterprise.

b. Unarmed combat does not include any of the following:

1. Professional boxing.

2. Professional wrestling.

3. Amateur boxing.

4. Amateur wrestling.

5. Any competition displaying the skills of a single form of a system of unarmed self-defense, including, but not limited to, kickboxing, karate, or full-contact karate, which is held pursuant to the rules of that form and governed or authorized by a nationally recognized organization.

6. Professional mixed martial arts.

7. Amateur mixed martial arts.

8. Tough man contests.

9. Professional wrestling.

*(Act 2009-622, p. 1872, § 2; Act 2010-222, p. 392, § 1; Act 2011-164, p. 297, § 3; Act 2013-285, § 1.)*

**Section 41-9-1022** Application.

This article shall not be construed to apply to any match, contest, or exhibition of boxing or wrestling in which the contestants are all amateurs and which is governed or authorized by any of the following:

(1) U.S.A. Boxing.

(2) The Alabama High School Athletic Association.

(3) The National Collegiate Athletic Association.

- (4) Amateur Athletic Union.
  - (5) Golden Gloves.
  - (6) USA Wrestling.
  - (7) The National Junior College Athletic Association.
  - (8) The National Association of Intercollegiate Athletics.
  - (9) The National Collegiate Wrestling Association.
  - (10) The local affiliate of any organization listed in this section.
- (Act 2009-622, p. 1872, § 3; Act 2013-285, § 1.)*

**Section 41-9-1023** Alabama Athletic Commission -- Creation; composition; medical advisory panel.

(a) There is created the Alabama Athletic Commission composed of six members.

(b)(1) The membership of the commission shall be inclusive and reflect the racial, gender, geographic, urban/rural, and economic diversity of the state. The six initial members shall be as follows:

- a. Two members appointed by the Governor.
- b. One member appointed by the Alabama Athlete Agents Commission.
- c. One member appointed by the Speaker of the House of Representatives.
- d. One member appointed by the President of the Senate.
- e. One member appointed by the President Pro Tempore of the Senate.

(2) Initial appointments by the Governor shall be for one and three years, the initial appointment by the Speaker of the House of Representatives shall be for four years, the initial appointment of the President of the Senate shall be for two years, and the initial appointment of the President Pro Tempore of the Senate shall be for one year. The initial appointment by the commission shall be for four years. All subsequent appointments shall be for terms of four years. Vacancies shall be filled for the unexpired terms under the same procedures and requirements as appointments for full terms. Each member of the commission shall be a citizen of this state and no two members shall be from the same congressional district at the time of appointment.

(c) The commission shall elect a chair from among its membership for a term of one year. While serving as chair, a member may not vote on any matter coming before the commission. The commission may elect a vice chair from its membership for a term of one year. Any member serving as chair shall be eligible for successive election to the office by the commission. The chair may designate another member of the commission to perform the duties of chair in his or her absence. The commission may employ an executive director to manage the day-to-day operations of the commission within the available funds of the commission.

(d) A medical advisory panel of the commission shall be appointed by the Governor and shall consist of four persons licensed to practice medicine in this state, representing the specialties of neurology, ophthalmology, sports medicine, and general medicine. The medical advisory panel shall advise and assist the commission and its staff regarding issues and questions concerning the medical safety of professional boxers, tough man contestants, professional wrestlers, amateur mixed martial arts competitors, and professional mixed martial arts competitors including, but not limited to, matters relating to medical suspensions. The medical advisory panel may meet separately from the commission to discuss and formulate recommendations for the commission in connection with medical safety. Members of the medical advisory panel shall not be counted in determining a quorum of the commission and shall not vote as commission members.

(e) Each member of the commission and the medical advisory panel shall be reimbursed for



expenses and travel as provided for public officials of this state.

*(Act 2009-622, p. 1872, § 4; Act 2010-222, p. 392, § 1; Act 2011-164, p. 297, § 3; Act 2013-285, § 1.)*

**Section 41-9-1024** Alabama Athletic Commission -- Powers and duties.

(a)(1) The commission shall be the sole regulator of professional boxing in this state and shall have authority to protect the physical safety and welfare of professional boxers and serve the public interest by closely supervising all professional boxing in this state.

(2) The commission shall be the sole regulator of professional and amateur matches, contests, or exhibitions of mixed martial arts and shall have the authority to protect the physical safety and welfare of professional competitors in mixed martial arts and serve the public interest by closely supervising all competitors in mixed martial arts. The commission shall regulate professional and amateur mixed martial arts to the same extent as professional boxing unless any rule of the commission is not by its nature applicable to mixed martial arts.

(3) Commencing on May 22, 2013, the commission shall be the sole regulator of professional matches, contests, or exhibitions of wrestling and shall have the authority to protect the physical safety and welfare of professional competitors in professional wrestling and serve the public interest by closely supervising all competitors in professional wrestling. The commission shall regulate professional wrestling to the same extent as professional boxing unless any rule of the commission is not by its nature applicable to professional wrestling.

(4) The commission shall have the sole authority to license a wrestling sanctioning organization to safeguard the public health, to protect competitors, and to provide for competitive matches by requiring each licensed organization to abide by rules promulgated by the commission. The commission, at the request of a licensed sanctioning organization, may provide direct oversight of any event sanctioned by the organization for a fee negotiated between the commission and the licensed sanctioning organization.

(5) The commission shall have the sole authority to license the promoters of tough man contests to safeguard the public health, to protect competitors, and to provide for competitive matches by requiring each licensed promoter to abide by rules promulgated by the commission. The commission, at the request of a promoter, may provide direct oversight of any tough man match for a fee negotiated between the commission and the promoter.

(b) The commission shall have the sole jurisdiction to license the promotion or holding of each match, contest, or exhibition of professional boxing, tough man contests, professional wrestling, amateur mixed martial arts, or professional mixed martial arts promoted or held within this state.

(c) The commission shall have the authority to license participants in any match, contest, or exhibition of professional boxing, professional wrestling, amateur mixed martial arts, or professional mixed martial arts held in this state.

(d) The commission shall have the authority to direct, manage, control, and supervise all matches, contests, or exhibitions of professional boxing, tough man contests, professional wrestling, amateur mixed martial arts, or professional mixed martial arts including, but not limited to, the authority to enforce safety measures and restrict access to certain areas for the protection of the public and participants. The commission may adopt bylaws for its own management and promulgate and enforce rules and regulations consistent with this article.

(e) The commission shall have the sole authority to inquire into the plans or arrangements for compliance of a licensed organization with rules promulgated by the commission. The commission may require a wrestling sanctioning organization to pay an annual licensure fee and any other fee determined necessary by the board and may penalize any organization for violation

of this article or any rule promulgated by the commission pursuant to this article.

(f) The commission may appoint one or more inspectors as duly authorized representatives of the commission to ensure that the rules are strictly observed. The inspectors shall be present at all professional matches, contests, or exhibitions of boxing, wrestling, or mixed martial arts.

(g) The commission may designate physicians as duly authorized representatives of the commission to conduct physical examinations of boxers or mixed martial arts competitors licensed under this article and shall designate a roster of physicians authorized to conduct preflight physicals and serve as ringside physicians in all professional boxing, tough man, or mixed martial arts matches held in this state.

(h)(1) The commission or any agent duly designated by the commission may do any of the following:

a. Make investigations.

b. Hold hearings.

c. Issue subpoenas to compel the attendance of witnesses and the production of books, papers, and records.

d. Administer oaths to and examine any witnesses for the purpose of determining any question coming before it under this article or under the rules and regulations adopted pursuant to this article.

e. Swear out a warrant of arrest against any person violating the criminal provisions of this article, and the commission shall not be liable in damages or to any action for damages by reason of swearing out a warrant or for causing the arrest and detention or imprisonment of any person under such warrant, unless the commission or agent fails to act in a reasonably prudent manner.

(2) During an investigation of any allegation which, if proven, would result in criminal or civil sanctions as provided in this article, the commission may withhold all or a portion of the gross receipts to which the person under investigation is entitled until such time as the matter has been resolved.

(i) The commission may engage in activities which promote amateur boxing, amateur wrestling, and amateur mixed martial arts in this state and contract with any nonprofit organization which is exempted from the taxation of income. To support amateur boxing, amateur wrestling, and amateur mixed martial arts in this state, the commission may promote voluntary contributions through the application process or through any fund-raising or other promotional technique deemed appropriate by the commission.

(j) Pursuant to 15 U.S.C. Section 6301, et seq., the commission may issue to each boxer who is a resident of this state an identification card bearing the photograph of the boxer and in such form and containing such information as the commission deems necessary and appropriate. The commission shall ensure that the form and manner of issuance of the identification cards comply with any applicable federal law or regulation. The commission may charge an amount not to exceed one hundred dollars (\$100) per card for the issuance or replacement of each identification card.

(k) The commission may create a boxing registry or designate a nationally recognized boxing registry and register each boxer who is a resident of this state or who is a resident of another state which has no boxing registry.

(l) The commission may inquire into the financial backing of any professional match, contest, or exhibition of boxing, wrestling, or mixed martial arts and obtain answers to written or oral questions propounded to all persons associated with the professional event.

(m) The commission, pursuant to rule, may license any concessionaire, ring announcer, photographer, or other person receiving any portion of the gate proceeds from a match, contest,

or exhibition held in the state pursuant to this article.

*(Act 2009-622, p. 1872, § 5; Act 2010-222, p. 392, § 1; Act 2011-164, p. 297, § 3; Act 2013-285, § 1.)*

**Section 41-9-1025** Alabama Athletic Commission -- Executive director.

The commission shall designate a person to serve as executive director and the executive director shall issue licenses and identification cards and perform other duties as the commission may direct in the enforcement of this article.

*(Act 2009-622, p. 1872, § 6; Act 2013-285, § 1.)*

**Section 41-9-1026** Alabama Athletic Commission -- Meetings.

(a) The commission shall meet upon the call of the chair or upon the call of any two members.

The business of the commission shall be conducted by a majority vote of the members present.

A majority of the commission members shall constitute a quorum.

(b) The chair, if necessary, may within 10 days of receiving an application and license fee call a meeting of the commission for the purpose of approving or rejecting an application for a license or match permit which has been submitted to the commission. The meeting shall be held within 20 days of the call of the chair at a place designated by the chair.

*(Act 2009-622, p. 1872, § 7.)*

**Section 41-9-1027** Alabama Athletic Commission -- Rules and regulations.

The commission shall adopt rules and regulations governing professional boxing, tough man contests, amateur mixed martial arts, and professional mixed martial arts to establish the following:

(1) Procedures to evaluate the professional records and physician certifications of each boxer participating in a match, contest, or exhibition of professional boxing, tough man contests, amateur mixed martial arts, and professional mixed martial arts and to deny authorization for a professional boxer, tough man contestant, amateur mixed martial arts competitor, or professional mixed martial arts competitor to fight where appropriate.

(2) Procedures to ensure that, except as otherwise provided in subsection (c) of Section 41-9-1032, no professional boxer, amateur mixed martial arts competitor, or professional mixed martial arts competitor shall be permitted to participate while under suspension from any state boxing or athletic commission because of any of the following:

- a. A recent knockout, technical knockout, or series of consecutive losses.
- b. An injury, requirement for a medical procedure, or physician's denial of certification.
- c. Failure of a drug test.
- d. The use of false aliases or falsifying official identification cards or document.
- e. Other reasons as determined by the commission.

(3) Procedures to report to the boxing registry the results of all professional matches, contests, or exhibitions of boxing held in this state or being supervised by the commission and any related suspensions.

*(Act 2009-622, p. 1872, § 8; Act 2013-285, § 1.)*

**Section 41-9-1028** Alabama Athletic Commission -- Conflict of interest.

A member or employee of the commission and any person who administers or enforces this article or rules promulgated in accordance with this article shall not be a member of, contract with, or receive any compensation from any person or organization who authorizes, arranges, or

promotes matches, contests, or exhibitions of professional boxing, tough man contests, professional wrestling, amateur mixed martial arts, or professional mixed martial arts or who otherwise has a financial interest in any activity or licensee regulated by the commission. The term compensation does not include funds held in escrow for payment to another person in connection with a professional match, contest, or exhibition of boxing, wrestling, or mixed martial arts.

*(Act 2009-622, p. 1872, § 9; Act 2010-222, p. 392, § 1; Act 2013-285, § 1.)*

**Section 41-9-1029** Promoter license; match permit; amateur mixed martial arts matches, contests, exhibitions.

(a)(1) No person shall promote or hold a match, contest, or exhibition of professional boxing, tough man contests, professional wrestling, amateur mixed martial arts, or professional mixed martial arts within this state without first applying for and obtaining a promoter's license from the commission.

(2) Licenses shall be issued annually and shall expire on December 31 of each calendar year.

(b) Promoters shall apply to the commission for a license required by subsection (a) on a form provided by the commission. The application shall be accompanied by a nonrefundable fee not to exceed two hundred fifty dollars (\$250). The application shall also be accompanied by a performance bond in an amount and under any conditions required by the commission.

(c)(1) In addition to the license required by subsection (a), a match, contest, or exhibition of professional boxing, tough man contests, professional wrestling, amateur mixed martial arts, or professional mixed martial arts within this state shall not be staged unless a match permit has been issued by the commission for the match, contest, or exhibition.

(2) Each application for a match permit shall be on a form provided by the commission and shall be accompanied by a nonrefundable application fee not to exceed two hundred fifty dollars (\$250). The commission may charge an additional match fee in accordance with rules and regulations promulgated by the commission.

(d) The commission, prior to issuing any match permit, may require a performance bond in addition to that required in subsection (b).

(e) The commission may refund any portion of the match permit fee in excess of two hundred fifty dollars (\$250) to any person who paid the excess fee if the match, contest, or exhibition of professional boxing, tough man contests, professional wrestling, amateur mixed martial arts, or professional mixed martial arts for which the fees were paid is not held.

(f) The commission shall have the sole authority to certify the results of each amateur mixed martial arts match, contest, or exhibition held within the state.

*(Act 2009-622, p. 1872, § 10; Act 2010-222, p. 392, § 1; Act 2011-164, p. 297, § 3; Act 2013-285, § 1.)*

**Section 41-9-1030** Participant license.

(a) Prior to participating in a match, contest, or exhibition of professional boxing, professional wrestling, amateur mixed martial arts, or professional mixed martial arts supervised by the commission, referees, judges, timekeepers, matchmakers, boxers, wrestlers, mixed martial arts competitors, managers, trainers, and each person who assists a boxer, wrestler, or mixed martial arts competitor immediately before and after a match, contest, or exhibition of boxing, wrestling, or mixed martial arts and between rounds during a match, contest, or exhibition of boxing, wrestling, or mixed martial arts shall be required by the commission to apply for and be issued a license. Licenses shall be issued annually and shall expire on December 31 of each calendar

year. Each applicant shall make application on a form provided by the commission and pay an annual license fee not to exceed two hundred fifty dollars (\$250).

(b) The nonrefundable initial licensing fee and annual renewal fee for a professional wrestling sanctioning organization may not exceed one thousand dollars (\$1,000).

(c) The commission shall issue a license under this section only if:

(1) The commission has determined to the best of its ability that the applicant has the training or skills necessary to perform in a manner appropriate to the license.

(2) The applicant has complied with all applicable requirements of this article and any rules and regulations promulgated pursuant to this article.

(3) The commission or its designated representative has determined from information provided by the applicant and from any medical evaluation required by the commission that the health, welfare, and physical safety of the applicant will not be unduly jeopardized by the issuance of the license.

(4) The applicant is a citizen of the United States or, if not a citizen of the United States, a person who is legally present in the United States with appropriate documentation from the federal government.

*(Act 2009-622, p. 1872, § 11; Act 2010-222, p. 392, § 1; Act 2011-164, p. 297, § 3; Act 2013-285, § 1.)*

**Section 41-9-1031** Participant registration.

(a) In addition to the license required in Section 41-9-1030, each professional boxer, amateur mixed martial arts competitor, or professional mixed martial arts competitor who is a resident of this state or another state which has no state boxing or athletic commission shall register with a boxing, amateur mixed martial arts, or professional mixed martial arts registry created or designated by the commission and renew his or her registration as prescribed by rules of the commission.

(b) At the time of registration and renewal, the boxer, amateur mixed martial arts competitor, or professional mixed martial arts competitor shall provide the registry with a recent photograph of the licensee and the Social Security number of the licensee or, in the case of a foreign licensee, any similar citizen identification number or licensee number from the country of residence of the licensee, along with any other information the commission requires. The registries shall issue a personal identification number to each licensee and the number shall appear on the identification card issued to the licensee as a result of registration. Each licensee shall present to the commission an identification card issued by the state in which he or she resides not later than the time of the weigh-in for a match, contest, or exhibition.

(c) The commission may charge a registration fee in an amount calculated to cover the administrative expense of the registration.

*(Act 2009-622, p. 1872, § 12; Act 2013-285, § 1.)*

**Section 41-9-1032** Refusal to grant license; disciplinary action; suspension or revocation of match permit.

(a) The commission may refuse to grant a license to an applicant upon a finding by a majority of the entire commission that the applicant has failed to demonstrate the qualifications or standards for a license contained in this section or under the laws, rules, and regulations under which licensure is sought. The applicant shall demonstrate to the satisfaction of the commission that he or she meets all the requirements for the issuance of a license, and, if the commission is not satisfied as to the qualifications of the applicant, it may deny a license without a prior hearing;

however, the applicant shall be allowed to appear before the commission if he or she so desires. (b)(1) The commission, by majority vote, after prior notice to the holder of a license and after affording such a holder an opportunity to be heard, may fine the license holder, revoke or suspend the license, or take other disciplinary action against the licensee upon the recommendation of any officially designated representative for reasons involving the medical or physical safety of any professional boxer, tough man contestant, amateur mixed martial arts competitor, or professional mixed martial arts competitor licensed by the commission, summarily suspend any license previously issued by the commission, or take other disciplinary action against any licensee. The licensee shall, after the summary suspension, be afforded an opportunity to be heard, in accordance with the rules of the commission and the Alabama Administrative Procedure Act. A summary suspension imposed against such a licensee may include, but shall not be limited to, the following:

a. Prohibiting any professional boxer, tough man contestant, amateur mixed martial arts competitor, or professional mixed martial arts competitor from competing, appearing in, or participating in any match, contest, or exhibition within 60 days of having suffered a knockout.

b. Prohibiting any professional boxer, amateur mixed martial arts competitor, or professional mixed martial arts competitor, from competing, appearing in, or participating in any match, contest, or exhibition within 30 days of having suffered a technical knockout where evidence of head trauma has been determined by the attending ringside physician.

(2) The length of any summary suspension invoked pursuant to this subsection, upon the recommendation of the ringside physician, may be extended to any number of days. The terms and conditions of the suspension or revocation may require that the boxer submit to further medical evaluation as determined by the ringside physician.

(c) The commission, its executive director, or its duly authorized representative, at any time prior to the completion of a permitted match, contest, or exhibition of professional boxing, a tough man contest, professional wrestling, amateur mixed martial arts, or professional mixed martial arts, may summarily suspend or revoke the match permit or the license of any specific boxer, wrestler, or mixed martial arts competitor should it be determined by such person that the continuation of the match, contest, or exhibition of professional boxing, professional wrestling, amateur mixed martial arts, or professional mixed martial arts may jeopardize the health, welfare, morals, or safety of the citizens of this state or may jeopardize the health or personal safety of any participant of the match, contest, or exhibition of professional boxing, professional wrestling, amateur mixed martial arts, or professional mixed martial arts; provided, however, that the licensee, after a summary suspension, shall be afforded an opportunity to be heard, in accordance with the rules of the commission and the Alabama Administrative Procedure Act.

(d) The commission may revoke a suspension of a professional boxer, professional wrestler, amateur mixed martial arts competitor, or professional mixed martial arts competitor if any of the following applies:

(1) The professional boxer, professional wrestler, or mixed martial arts competitor was suspended pursuant to rules and regulations adopted pursuant to Section 41-9-1027 and has furnished proof of a sufficiently improved medical or physical condition.

(2) The professional boxer, professional wrestler, or mixed martial arts competitor furnishes proof that a suspension pursuant to Section 41-9-1027 was not or is no longer merited by the facts. (*Act 2009-622, p. 1872, § 13; Act 2010-222, p. 392, § 1; Act 2013-285, § 1.*)

**Section 41-9-1033** Participant requirements.

No person shall arrange, promote, organize, produce, or participate in a match, contest, or

exhibition of professional boxing, professional wrestling, amateur mixed martial arts, or professional mixed martial arts unless he or she has complied with the following requirements:

(1) An examination by a physician who has certified that the boxer or mixed martial arts competitor is physically fit to compete safely. Copies of each certificate shall be provided to the commission prior to the match, contest, or exhibition of professional boxing, amateur mixed martial arts, or professional mixed martial arts. The commission may require a boxer, tough man contestant, wrestler, or mixed martial arts competitor to undergo a physical examination, including neurological or neuropsychological tests and procedures.

(2) A physician approved by the commission shall be continuously present at ringside during every match, contest, or exhibition of professional boxing, tough man contest, professional wrestling, amateur mixed martial arts, or professional mixed martial arts. The physician shall observe the physical condition of the boxers, tough man contestants, wrestlers, or competitors in mixed martial arts and advise the referee with regard to the boxers, tough man contestants, wrestlers, or competitors.

(3) One or more inspectors appointed by the commission as duly authorized representatives of the commission shall be present at each match, contest, or exhibition of professional boxing, tough man contests, professional wrestling, amateur mixed martial arts, or professional mixed martial arts to ensure that the rules are strictly observed. An inspector or other duly authorized representative of the commission shall be present at the weigh-in and at the ring during the conduct of the match, contest, or exhibition of professional boxing, amateur mixed martial arts, or professional mixed martial arts. Inspectors and other duly authorized representatives of the commission shall have free access to the dressing rooms of the professional boxers, tough man contestants, and mixed martial arts competitors.

(4) Each boxer, tough man contestant, wrestler, or competitor in mixed martial arts shall be covered by health insurance which will cover injuries sustained during the match, contest, or exhibition of professional boxing, tough man contest, professional wrestling, amateur mixed martial arts, or professional mixed martial arts.

(5) An ambulance and medical personnel with appropriate resuscitation equipment shall be continuously present at the site during any match, contest, or exhibition of professional boxing, tough man contest, professional wrestling, amateur mixed martial arts, or professional mixed martial arts.

*(Act 2009-622, p. 1872, § 14; Act 2010-222, p. 392, § 1; Act 2013-285, § 1.)*

**Section 41-9-1034** Impairment of participant by alcohol or drugs.

It shall be unlawful for any professional boxer, tough man contestant, professional wrestler, amateur mixed martial arts competitor, or professional competitor in mixed martial arts to participate or attempt to participate in a match, contest, or exhibition of professional boxing, tough man contest, professional wrestling, amateur mixed martial arts, or professional mixed martial arts while under the influence of alcohol or any drug. A professional boxer, tough man contestant, professional wrestler, amateur mixed martial arts competitor, or professional mixed martial arts competitor shall be deemed under the influence of alcohol or a drug for the purposes of this section if a physical examination made during a period of time beginning not more than six hours prior to the beginning of the match, contest, or exhibition and ending not more than one hour after the completion of the match, contest, or exhibition reveals that the mental or physical ability of the professional boxer, tough man contestant, professional wrestler, amateur mixed martial arts competitor, or professional mixed martial arts competitor is impaired as a direct result of the use of alcohol or a drug.

*(Act 2009-622, p. 1872, § 15; Act 2010-222, p. 392, § 1; Act 2013-285, § 1.)*

**Section 41-9-1035** Site requirements.

All buildings or structures used or intended to be used for holding or giving matches, contests, or exhibitions of professional boxing, tough man contest, professional wrestling, amateur mixed martial arts, or professional mixed martial arts shall be safe and shall in all manner conform to the laws, ordinances, and regulations pertaining to buildings in the municipality or unincorporated area of the county where the building or structure is situated.

*(Act 2009-622, p. 1872, § 16; Act 2010-222, p. 392, § 1; Act 2013-285, § 1.)*

**Section 41-9-1036** Age requirement.

No person under the age of 18 years shall participate as a contestant in any match, contest, or exhibition of professional boxing, tough man contest, professional wrestling, amateur mixed martial arts, or professional mixed martial arts.

*(Act 2009-622, p. 1872, § 17; Act 2010-222, p. 392, § 1; Act 2013-285, § 1.)*

**Section 41-9-1037** Jurisdiction of commission.

The commission shall have jurisdiction over any match, contest, or exhibition of professional boxing, tough man contests, professional wrestling, amateur mixed martial arts, or professional mixed martial arts which occurs or is held within this state, is filmed in this state, or is broadcast or transmitted from this state.

*(Act 2009-622, p. 1872, § 18; Act 2010-222, p. 392, § 1; Act 2013-285, § 1.)*

**Section 41-9-1038** Violations.

(a) The Attorney General may bring a civil action requesting relief, including a permanent or temporary injunction, restraining order, or other order, against any person who he or she believes is violating Sections 41-9-1029, 41-9-1030, 41-9-1031, 41-9-1032, 41-9-1033, 41-9-1034, 41-9-1035, and 41-9-1037.

(b)(1) Any manager, promoter, matchmaker, or licensee who knowingly violates or coerces or causes any other person to violate Sections 41-9-1030, 41-9-1031, 41-9-1032, 41-9-1033, 41-9-1034, 41-9-1035, 41-9-1036, and 41-9-1037 shall, upon conviction, be guilty of a Class C felony.

(2) Any member or employee of the commission or any person who administers or enforces this article or rules and regulations promulgated pursuant to this article who knowingly violates Sections 41-9-1033 or 41-9-1034 shall, upon conviction, be guilty of a Class C felony.

(3) Any professional boxer, tough man contestant, professional wrestler, amateur mixed martial arts competitor, or professional competitor in mixed martial arts who knowingly violates this article, except Section 41-9-1034, shall, upon conviction, be guilty of a Class B misdemeanor.

(4) Any professional boxer, tough man contestant, professional wrestler, amateur mixed martial arts competitor, or professional competitor in mixed martial arts who violates Section 41-9-1034 may be punished by a civil fine not to exceed twenty-five thousand dollars (\$25,000) together with a percentage of the purse not to exceed 15 percent for each violation.

(c) A person who participates in or promotes unarmed combat shall be guilty of a Class A misdemeanor.

(d) The criminal penalties in this section shall not be construed to repeal other criminal laws. Whenever conduct prescribed by this article is also prescribed by other provision of law, the provision which carries the more serious penalty shall be applied.



*(Act 2009-622, p. 1872, § 19; Act 2010-222, p. 392, § 1; Act 2013-285, § 1.)*

**Section 41-9-1039** Alabama Athletic Commission Fund.

There is established a separate trust fund in the State Treasury to be known as the Alabama Athletic Commission Fund. All receipts collected by the commission shall be deposited into this fund and used only to carry out the provisions of this article. Monies shall be disbursed only by warrant of the state Comptroller drawn upon the State Treasury supported by itemized vouchers approved by the commission. No funds shall be withdrawn or expended except as budgeted and allotted according to Sections 41-4-80 to 41-4-96, inclusive, and 41-19-1 to 41-19-12, inclusive, and only in amounts as stipulated in the general appropriations act or other appropriation acts.

*(Act 2009-622, p. 1872, § 20; Act 2010-222, p. 392, § 1.)*

**Section 41-9-1040** Sunset provision.

The Alabama Athletic Commission shall be subject to the Alabama Sunset Law in Chapter 20 of Title 41, as an enumerated agency, and shall have a termination date of October 1, 2011, and every four years thereafter, unless continued as provided in the Alabama Sunset Law.

*(Act 2009-622, p. 1872, § 22; Act 2010-222, p. 392, § 1.)*

**Professional Services by Vendor**

	2015	2016	2017	2018
<b>Consulting</b>				
Bradley Wallace Roberson	\$ 200.00	\$ -	\$ -	\$ -
Stanley Dewayne Frierson	350.00	-	-	-
<b>Total Consulting</b>	<b>550.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Data Processing</b>				
Department of Finance				
Data Processing	-	5,250.00	840.00	210.00
FRMS Services	209.00	239.50	108.50	-
Interfund Contract Programs (STAARS)	-	5,000.00	-	5,000.00
Comptroller Services	357.98	386.74	277.12	203.21
Office of Information Technology				
Data Processing	-	-	-	165.00
<b>Total Data Processing</b>	<b>566.98</b>	<b>10,876.24</b>	<b>1,225.62</b>	<b>5,578.21</b>
<b>Administrative</b>				
<b>Administrative Services</b>				
Mowery Consulting Group	66,373.96	96,719.98	68,978.17	-
McCormick Co. LLC	-	-	17,498.70	97,787.97
<b>Advertising</b>				
Legislative Reference Service	760.00	4,960.00	6,990.00	-
Legislative Services Agency	-	-	-	12,180.00
<b>Total Administrative</b>	<b>67,133.96</b>	<b>101,679.98</b>	<b>93,466.87</b>	<b>109,967.97</b>
<b>Legal</b>				
<b>Legal Services</b>				
Attorney General's Office	-	-	2,925.00	3,300.00
<b>Total Legal</b>	<b>-</b>	<b>-</b>	<b>2,925.00</b>	<b>3,300.00</b>
<b>Total Professional Services</b>	<b>\$ 68,250.94</b>	<b>\$ 112,556.22</b>	<b>\$ 97,617.49</b>	<b>\$ 118,846.18</b>

*Commission Members*



**Alabama Athletic Commission**

2777 Zelda Road  
Montgomery, Alabama 36106  
(334) 420-7231  
Fax (334) 263-6115

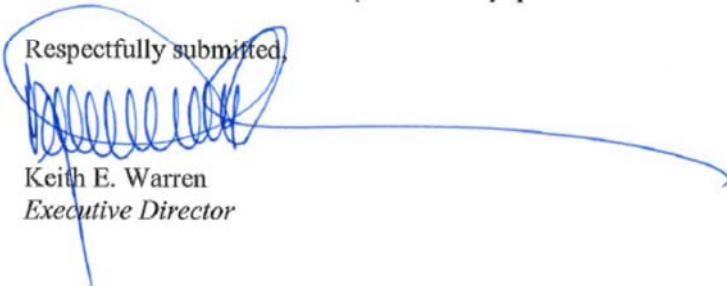
August 21, 2019

Mrs. Christine Kilpatrick  
Examiners of Public Accounts  
Post Office Box 302278  
Montgomery, AL 36130-2278

Dear Mrs. Kilpatrick,

Please find attached the Commission Members that served during the audit period. Do not hesitate to contact me should you have any questions or need any additional information.

Respectfully submitted,

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the right.  
Keith E. Warren  
*Executive Director*

<b><u>Commission Member</u></b>	<b><u>Appointment Date</u></b>	<b><u>Expiration Date</u></b>	<b><u>Position</u></b>
Mr. Casey C. Sears Tuscaloosa, Alabama 35406	06/23/2019	06/23/2023	Chair
Mr. Joe E. Evans Montgomery, Alabama 36116	09/25/2017	09/25/2021	
Mr. Joel R. Blankenship, Esq. Homewood, Alabama 35209	08/09/2017	08/09/2021	
Mr. Larry H. Bright, Jr. Huntsville, Alabama 35824	08/10/2018	07/17/2022	
Mrs. Kay A. Day Northport, Alabama 35475	11/20/2018	11/20/2022	
Mr. Jack Tillman Semmes, Alabama 36575	08/07/19	07/18/2023	

*Commission's Response to Significant Issues*



**Alabama Athletic Commission**

2777 Zelda Road  
Montgomery, Alabama 36106  
(334) 420-7231  
Fax (334) 263-6115

September 20, 2019

Maria L. Catledge  
Director, Operational Division  
Examiners of Public Accounts  
Post Office Box 302251  
Montgomery, AL 36130-2251

Dear Ms. Catledge,

Please find enclosed responses to the significant issues and prior findings outlined in your letter dated September 12, 2019 pertaining to the Commission's Sunset Review.

Please do not hesitate to contact me should you have any questions or need any additional information. As always, thank you for your assistance during the examination period.

Respectfully submitted,

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the right. The signature is written over the text "Respectfully submitted," and "Keith E. Warren".

Keith E. Warren  
*Executive Director*

## **SIGNIFICANT ISSUES**

### **2019-01 Response**

Warren & Company, Inc. was awarded the administrative services contract through the competitive bid process procured through the Purchasing Division with the beginning date of service of May 19, 2019. The transfer of property was scheduled and took place on May 16, 2019, between both parties. Once the property was delivered to Warren & Company, a complete inventory was taken to determine records and property transferred. It was determined we did not have the items that are listed in the report. After several attempts with the previous administrator were made, it was determined the items were not in his possession and was in the possession of his previous employee and that he had lost contact with her. W&C Investigator was engaged to locate this previous employee and contact was made on June 18, 2019. W&C Investigator obtained commission records and delivered them to the office along with a written report for our records. A second contact with this individual was made on August 22, 2019, to determine they had found any additional records, since there were still missing documents; however, there were none.

While attending events to license participants, W&C staff identified individuals that were licensed (completed an application) at events prior to the May 19, 2019 administrative change and were politely asked for new applications to be completed and proper identification was obtained. In the absence of a current licensee database from the previous administrator, these applications were researched back at the office to determine if a payment could be associated to the application. If so, a license was issued since licenses had not been issued by the previous administrator for several years.

The previous administrator has been contacted about the status of the thermal laminator, bookcase and digital camcorder with tripod, which had not yet been transferred. It is our understanding from the previous administrator that the camera tripod was broken at a fight and discarded; the thermal laminator will be forwarded to us, and location of the camera has not been determined at this time.

### **2019-02 Response**

The new administrator's accounting staff keeps excellent records to ensure that each license is linked to the license fee transaction. This process includes documenting collection of appropriate fees, deposits specific to individual events, licensing year and fiscal year, The staff is in the process of updating and creating a new database for the current licensing year. This finding is resolved and will not be found in the next examination of the Commission.

### **2019-03 Response**

It has been determined that not all entities and individuals were licensed as required under the statute. The Commission is identifying entities promoting athletic events and those participating in those to ensure licensing fees are collected. With various changes to the statute and administrative changes, the Commission has been informed that there are plans to greatly increase the number of events held in the state, which will increase revenues. The Commission and Executive Director are closely monitoring expenses with the goal of an increase in cash balances at the end of fiscal year 2020. The Commission has great potential to be viable and

operate on the revenue it generates from both licensing fees and the percentage of event ticket sales it collects. The greatest responsibility is to ensure the health, safety and welfare of the public and the participants of events throughout the State. This significant issue will be resolved.

**2019-04 Response**

The Commission will revise the regulations to reflect only the fees are that statutorily authorized. These fees have not been collected and there are no event permit requests for tough man contests at this time. This significant issue will be resolved.

**2019-05 Response**

At its last meeting on July 11, 2019, the Commission reviewed and discussed complaint procedures and these procedures are scheduled to be adopted at its meeting scheduled for October 17, 2019. This significant issue will be resolved.

**STATUS OF PRIOR FINDINGS/SIGNIFICANT ISSUES**

**2018-03 Response**

Unresolved in regard to previous contractors. Warren & Company outlined in the Administrative Services contract that all expenses not outlined would be presented and approved by the Commission prior to purchasing and would also ensure that all purchases are made through approved vendors with the Purchasing Department.

**2018-05 Response**

The Commission will correct the late match permit fee at its October 17, 2019 meeting along with other revisions to the rules. This finding will be resolved.

**2018-06 Response**

A new application for enrollment was submitted by Warren & Company along with all applicable documents. As of September 17, 2019, no other documentation was required, and approval is forthcoming. This finding is resolved.

**2018-08 Response**

The Commission will include the appointment, attire and performance of officials at events policies and procedures in the proposed rules to be promulgated at its October 17, 2019 meeting. This finding will be resolved.

**2018-09 Response**

As the two Commission positions serving congressional district 4 expire, we will ensure nominations presented to the appointing authority do not reside in this district. The Commission will be cognizant of congressional districts in future nominations for appointments. This finding will continue to be unresolved until new appointments are made to the Commission in 2022.

**2011-03 Response**

As previously stated, while attending events to license participants, we identified individuals that were licensed (completed an application) at events prior to the May 19, 2019 administrative

change and therefore politely asked for new applications to be completed and obtain the proper identification. These applications were researched back at the office to determine if a payment could be associated to the application. If so, a license was issued since licenses were not issued by the previous administrator for several years.

There have been 358 licenses issued since May 19, 2019 and all required documentation is in each licensing file as required. Each licensee has received a physical license, which had not done by the previous administrator. The new Commission Staff will ensure that all required documentation is received and filed accordingly as well as all requirements are met prior to issuing a temporary or permanent license. This finding is resolved.



change and therefore politely asked for new applications to be completed and obtain the proper identification. These applications were researched back at the office to determine if a payment could be associated to the application. If so, a license was issued since licenses were not issued by the previous administrator for several years.

There have been 358 licenses issued since May 19, 2019 and all required documentation is in each licensing file as required. Each licensee has received a physical license, which had not done by the previous administrator. The new Commission Staff will ensure that all required documentation is received and filed accordingly as well as all requirements are met prior to issuing a temporary or permanent license. This finding is resolved.