

Steve Sisolak *Governor*

Jeff Mullen

Executive Director

STATE OF NEVADA ATHLETIC COMMISSION

Chairman: Stephen J. Cloobeck **Members:** Staci Alonso, Christopher Ault, Anthony A. Marnell III, Jim Murren

September 20, 2022

INFORMATIONAL STATEMENT REGARDING LCB FILE NO. R089-22 (NRS 233B.066)

Pursuant to NRS 233B.066, the Nevada Athletic Commission ("Commission") hereby submits the following Information Statement regarding its adopted regulation identified in LCB File No. R089-22:

a. A clear and concise explanation of the need for the adopted regulation.

The need and purpose of the proposed permanent regulations identified in LCB File No. R089-22 is to:

- a. Add a provision that provides for the forfeiture of the proceeds from the bond required in NRS 467.080 in certain circumstances, and how such forfeited proceeds may be used.
- b. Amend NAC 467.00395(6)(a) to clarify that the definition of "unarmed combatant" includes any person who is scheduled to engage in unarmed combat.
- c. Amend NAC 467.004(3) to provide that a person designated by the Executive Director may conduct certain investigations.
- d. Amend NAC 467.007(1) to include rules adopted by NSAC.
- e. Amend NAC 467.027(1) to clarify that the requirements apply to contestants that are scheduled to compete in a contest or exhibition of unarmed combat.
- f. (1) Amend NAC 467.149(1) and (4) to remove the requirement that the insurance policy be a "primary" policy.
 - (2) Amend NAC 467.149 by adding a new subsection providing that if a promoter fails to provide the insurance coverage required the NSAC may

order the promoter to reimburse or pay the unarmed combatant for the cost of any medical treatment for injuries sustained during the contest or exhibition up to the amount that would have been covered had the promoter complied with the insurance requirements. The provision goes on to clarify that this requirement is in addition to any other penalty the NSAC may impose against the promoter through disciplinary action.

- g. Amend NAC 467.151(2) to require the Executive Director to review any application for a grant to verify that the applied for grant is for verifiable expenses that satisfy the requirements of the section.
- h. Amend NAC 467.162 to clarify what costs or expenses NSAC can require a surety bond to cover pursuant to NRS 467.080.
- i. Amend NAC 467.167 by adding a new subsection that sets forth the proceedings should the NSAC not have sufficient time before the contest or exhibition to consider the revocation, conditioning, or modification of a permit. The provision grants the Chair or the Chair's designee the authority to take such action in such circumstances.
- j. Amend NAC 467.204 to remove the limit to the reduction of the minimum required rounds for a program of unarmed combat that may be approved under the section. Further amends the section to allow the Chair's designee, the Executive Director, or the Executive Director's Designee to approve the request made by the promoter under the section.
- k. Amend NAC 467.208 to remove "unarmed combatant" from the list of persons the promoter cannot retain unless the person is licensed by NSAC.
- 1. Amend NAC 467.255(4) to modify the location of the judges to include "fenced area" and to identify the Executive Director or the Executive Director's designee as the person to designate the location of the judges in that area.
- m. Amend NAC 467.376(4) to designate that the Executive Director or the Executive Director's designee if the person who may cancel the program should the promoter fail to provide an adequate number of ushers for the program of unarmed combat.
- n. Amend NAC 467.562(1) to clarify that the requirements of the section apply to unarmed combatants and ring officials only.
- o. (1) Amend NAC 467.571(1) and (5) to clarify that the provisions address "specimens" not just "samples."

- (2) Amend NAC 467.571(3)(a) and (b) to clarify that the provision so subsection 3 only apply to the A sample or specimen, not the B sample or specimen.
- p. (1) Amend NAC 467.582(1) to provide that the Commission has the authority, at its discretion, to refrain from taking disciplinary action if it determines mitigating circumstances exist under the provisions of the section.
 - (2) Amend NAC 467.582 to add a new subsection that provides that the Commission may hold a hearing to determine if mitigating circumstances exist.
- q. (1) Amend NAC 467.770 to add "review official" to the list of persons who's decision may be challenged.
 - (2) Amend NAC 467.770 to add a new subsection that clarifies that the Executive Director may reject any protest submitted if the protest fails to state a basis that would allow for a change in the relevant decision under this section.
- r. Amend NAC 467.792(2) to include rules adopted by NSAC.
- s. Amend NAC 467.795(2) to include rules adopted by NSAC.
- t. Amend NAC 467.845(1) to clarify that a person associated with unarmed combat may file a petition for a declaratory order or advisory opinion as set forth in the section.
- u. Amend NAC 467.885(2) to include violations of chapter 467 of NRS, the Code of Ethics and Conduct approved by NSAC, and any rules adopted by NSAC to the grounds for disciplinary action.
- v. Amend NAC 467.890 to add "persons associated with unarmed combat" to the list of persons who are prohibited from having any dealings relating to unarmed combat with persons who have had their license, approval, registration, or sanctioning suspended or revoked by NSAC.
- w. (1) Amend NAC 467.895(1), (3), and (4) to clarify that the requirements apply to persons who have been suspended by NSAC.
 - (2) Amend NAC 467.895(4) to add "eligibility of the person to participate in contests or exhibitions of unarmed combat in the State" to the reinstatement provision.

- x. Repeal multiple regulations that provide requirements that will be set forth in the rules adopted by NSAC.
- b. A description of how public comment was solicited, a summary of the public response, and an explanation of how other interested persons may obtain a copy of the summary.

The Commission solicited written and oral public comment by distributing the proposed permanent regulation identified in LCB File No. R089-22 to its interested parties listsery, as well as posting it on its public website. The Commission also notified the public of the opportunity to offer comment in its Notice for the public workshop it held on June 9, 2022, and its Notice of the public hearing and adoption hearing held on September 20, 2022.

No public comments, written or oral, were received on the proposed permanent regulation identified in LCB File No. R089-22.

- c. The Commission recorded the following data regarding public participation in the public workshop and public hearing on the proposed permanent regulation:
 - 1. Persons who attended the public workshop held on June 9, 2022: 0
 - 2. Persons who testified at the public workshop held on June 9, 2022: 0
 - 3. Persons who attended the public hearing and adoption hearing held on September 20, 2022: 4
 - 4. Persons who testified at the public hearing and adoption hearing held on September 20, 2022: 0
 - 5. Persons who submitted written statements to the Commission regarding the proposed permanent regulation: 0
- d. For each person identified in subsections (2), (3), and (5) of section c above, the following information was obtained by the Commission:

Workshop held on June 9, 2022

N/A

Adoption hearing held on September 20, 2022 (all attended telephonically)

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Donna Marcolini Vice President Athlete Health and Performance, UFC 6650 South Torrey Pines Drive Las Vegas, Nevada 89118 dmarcolini@ufc.com 702-221-4781

Benjamin Cartlidge MMA Judge/Independent Contractor 18 Lock Keepers Way Hanley Hanley Staffs United Kingdom, ST13NS bencartlidge80@gmail.com +44 07475063458

Jeff Meyer
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Written Comment:

N/A

e. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation of how other interested parties may obtain a copy of the summary.

On May 24, 2022, the Commission emailed and mailed small business impact questionaries to 627 individuals, which included licensees, officials, inspectors, and other interested parties on the Commission's interested parties list. The Commission also posted the small business impact questionnaire on its public

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website. In total, the Commission received four responses, none of which claimed that the proposed regulations would have a negative fiscal impact on their operations in Nevada.¹

In addition, on June 9, 2022, the Commission held a public workshop regarding the provisions that ultimately became LCB File No. R089-22. No members of the public attended the workshop in person or remotely. As such, no one was present to claim the proposed regulations would have a negative fiscal impact on their operations in Nevada.

Other interested parties may obtain a copy of the summary by submitting a written request to the Commission at boxing@boxing.nv.gov.

f. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

After review of the provided comments, Commission staff determined that none warranted amending the regulation. None of the comments suggested any changes.

g. The estimated economic effect of the regulation on the business which it is to regulate and on the public as required by NRS 233B.066(1)(g).

Business:

There is no anticipated adverse effect for businesses.

The anticipated beneficial effect for business will be a reduction that promoters must pay for insurance to cover injuries sustained by unarmed combatants during competitions. Under the proposed permanent regulations, promoters will no longer have to obtain a "primary" insurance policy on the unarmed combatants. Instead, they can obtain a "secondary insurance policy. This will save the promoter money. This requirement is consistent with other states. Nevada was the only state that required a "primary" insurance policy.

¹ An email response from someone that goes by Big Jeff Gimoja, dated May 24, 2022, was receive that provided a general statement that "Nevada is not friendly toward small business promoters and have (sic.) run most of them out of the state." It went on to state that the Commission under the last two Executive Directors has been the "worst," however the response did not address any of the specific questions set out in the questionnaire, nor did it state that the regulations would create any economic hardship.

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Public:

There is no anticipated adverse effect for the public.

The anticipated beneficial effect for the public is the implementation of additional controls and procedures to help ensure the health and safety of unarmed combatants in this State.

h. The estimated cost to the agency for enforcement of the proposed regulation as required by NRS 233B.066(1)(h).

The Commission will not incur additional costs to enforce the proposed permanent regulation.

i. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, name the regulating federal agency. This is required by NRS 233B.066(1)(i).

None known.

j. If the regulation included provisions which are more stringent than a federal regulation that regulates the same activity, a summary of such provisions as required by NRS 233b.066(1)(j).

None known.

k. If the regulation provides a new fee or increases an existing fee, a statement indicating the total annual amount the agency expects to collect and the manner in which the money will be used as required by NRS 233b.066(1)(k).

Not applicable. The regulation does not provide a new fee or increase an existing fee.