

**Department of State
Division of Publications**

312 Rosa L. Parks Ave., 8th Floor, Snodgrass/TN Tower
Nashville, TN 37243
Phone: 615-741-2650
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For Department of State Use Only

Sequence Number: 07-10-18
Rule ID(s): 7206
File Date: 7/11/18
Effective Date: 10/9/18

Proposed Rule(s) Filing Form

Proposed rules are submitted pursuant to Tenn. Code Ann. §§ 4-5-202, 4-5-207, and 4-5-229 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within ninety (90) days of the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by ten (10) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of ten (10) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.

Pursuant to Tenn. Code Ann. § 4-5-229, any new fee or fee increase promulgated by state agency rule shall take effect on July 1, following the expiration of the ninety (90) day period as provided in § 4-5-207. This section shall not apply to rules that implement new fees or fee increases that are promulgated as emergency rules pursuant to § 4-5-208(a) and to subsequent rules that make permanent such emergency rules, as amended during the rulemaking process. In addition, this section shall not apply to state agencies that did not, during the preceding two (2) fiscal years, collect fees in an amount sufficient to pay the cost of operating the board, commission or entity in accordance with § 4-29-121(b).

Agency/Board/Commission: Tennessee Athletic Commission
Division: Regulatory Boards Division
Contact Person: Elizabeth Goldstein
Address: 500 James Robertson Parkway
Zip: 37243
Phone: 615-741-3072
Email: Elizabeth.goldstein@tn.gov

Revision Type (check all that apply):

Amendment
 New
 Repeal

Rule(s) (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please make sure that ALL new rule and repealed rule numbers are listed in the chart below. Please enter only ONE Rule Number/Rule Title per row)

Chapter Number	Chapter Title
0145-01	General Provisions
Rule Number	Rule Title
0145-01-.04	Permits for Professional Contests
0145-01-.05	Responsibilities of Promoters

0145-01 General Provisions
Amendments

Rule 0145-01-.04(2) Permits for Professional Contests is amended by substituting the monetary amount within subsection (e) with the following language:

- (1) A promoter of a contest of unarmed combat shall obtain a permit from the Commission not less than thirty (30) days prior to the date of the contest.
- (2) Applications for permits shall be submitted on forms prescribed by the Commission. The applicant shall completely and truthfully respond to all questions or requests for information propounded on, or in connection with, the application. Applications for permits shall include, without limitation:
 - (a) the address where the contest is to be held;
 - (b) a list of the individual contests to be held, if more than one contest, including the names, addresses, phone numbers and contracted weights of all prospective contestants (i. e. the "contest sheet");
 - (c) if the program will be broadcasted, each date and network on which the program will be televised;
 - (d) a list of ring officials from which the Commission or the Commission's administrator may assign to the event. The Commission or the Commission's administrator may assign ring officials not contained in the list. The promoter will be responsible for payment for the ring officials' services; and
 - (e) proof of medical insurance covering the combatant for any injuries sustained in any contest to be held under the permit in an amount of not less than twenty thousand dollars (\$20,000.00).

Provided that the promoter has completed the application completely and provided all requested information, an application for permit will be processed within five (5) business days from the date of receipt.

- (3) The promoter shall immediately notify the Commission's administrator of any change in the information submitted pursuant to paragraph (2) above. The contest sheet shall be deemed final seven (7) business days prior to the contest.
- (4) If the Commission's administrator determines (on the basis of available information) that a proposed contest would not be reasonably and fairly competitive, the administrator shall so advise the promoter within five (5) business days after receipt of the application submitted in accordance with this rule. Unless the administrator is offered evidence or argument which causes him or her to reverse that determination, such contest shall not be held in this state and any permit issued for a program of multiple unarmed combat contests shall not include the same. The applicant may appeal the administrator's decision to the Commission.
- (5) If the Commission's administrator determines that a proposed venue would not be appropriate, the administrator shall so advise the promoter within five (5) business days after receipt of the application submitted in accordance with this rule. Unless the administrator is offered evidence or argument which causes him or her to reverse that determination, such venue shall not be utilized. The applicant may appeal the administrator's decision to the Commission.
- (6) The fee for the permit shall be three hundred dollars (\$300.00).

Authority: Chapter 1149 of the Public Acts of 2008, § 2 and T.C.A. §§68-115-201 and 68-115-205 [effective July 1, 2008].

Rule 0145-01-.05(7) Responsibilities of Promoters is amended by substituting the monetary amount with the following language:

- (1) It shall be the responsibility of the promoter of an unarmed combat contest to inform all prospective participants that it will be necessary for them to be duly licensed in accordance with Rule 0145-01-.03 Licensing.
- (2) No promoter shall knowingly permit any person to act as a boxer, mixed martial artist, kickboxer, manager or second in any contest if such person is (or would be) prohibited from acting in such capacity by any provision of the Tennessee Athletic Commission Act of 2008 or any rules or regulations of the Tennessee Athletic Commission.
- (3) The promoter shall assure that the ringside physician is seated so as to have immediate access to the ring.
- (4) The promoter shall provide surgical gloves to all persons working in the ring. No promoter shall knowingly permit any person to act as a second (including a manager acting as a second) or referee in any contest unless such person is supplied with, and uses, such surgical gloves. The promoter is responsible for ensuring that acceptable sanitary standards are met with respect to dressing rooms, water bottles, towels or other equipment. Physicians and commission representatives shall specifically check at every contest or event for violations of these rules. The ring shall be swept, dry-mopped, or otherwise adequately cleaned before the event and prior to each fight.
- (5) Prior to the initiation of any contest or event, a commission representative shall inspect the bout area for safety and the promoter of the contest or event shall be required to make whatever changes to such area as are necessary in the judgment of the commission representative.
- (6) The promoter shall ensure that the emergency equipment and procedures required by T.C.A. §68-115-404 are provided for at each unarmed combat contest.
- (7) No person may arrange, promote, organize, or produce a professional unarmed combat contest without providing health insurance for each combatant to provide medical coverage for any injuries sustained in the contest in an amount not less than twenty-thousand dollars (\$20,000.00). The promoter shall provide proof of such coverage at the time the promoter applies for a permit for a professional contest.
- (8) The promoter shall ensure the venue provides a sufficient ringside area for commission officials and ring officials to carry out their official duties.
- (9) The Promoter shall be responsible for the cost of any tests or examinations ordered by the Commission's administrator, or his designee, pursuant to Rule 0145-01-.08.
- (10) The promoter shall file with the Commission's administrator a copy of any and all contracts entered into for the sale, lease, or other exploitation of broadcasting, television or motion picture rights for any professional contest.

Authority: Chapter 1149 of the Public Acts of 2008, § 2 and T.C.A. §§68-115-201, 68-115-204, 68-115-211, 68-115-213 and 68-115-214 [effective July 1, 2008].

* If a roll-call vote was necessary, the vote by the Agency on these rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Chad Chilcutt	x				
Donald Mill				x	
Steve Hannah	x				
Tracey Mill Davis				x	
Joe Smith	x				

I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the Commission on December 5, 2017, and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of ninety (90) days of the filing of the proposed rule with the Secretary of State.

Date: May 16, 2018

Signature: *Elizabeth Goldstein*

Name of Officer: Elizabeth Goldstein

Title of Officer: Assistant General Counsel

Subscribed and sworn to before me on: May 16, 2018

Notary Public Signature: *Carol McGlynn*

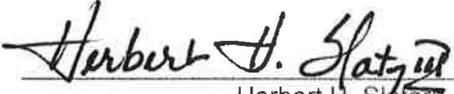
My commission expires on: Nov. 5, 2019



Agency/Board/Commission: Tennessee Athletic Commission

Rule Chapter Number(s): 0145-01

All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.


Herbert H. Slatery III
Attorney General and Reporter
7/2/2018
Date

Department of State Use Only

Filed with the Department of State on: _____

7/11/18

Effective on: _____

10/9/18


Tre Hargett
Secretary of State

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PUBLICATIONS

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process, all agencies shall conduct a review of whether a proposed rule or rule affects small business.

(1) The type or types of small business and an identification and estimate of the number of small businesses subject to the proposed rule that would bear the cost of, or directly benefit from the proposed rule;

All promoters applying for a permit for unarmed events or contests will be affected by this rule. Since January 1, 2017, the Commission issued 42 permits.

(2) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed rule, including the type of professional skills necessary for preparation of the report or record;

These amendments are not projected to change any recordkeeping costs. This amendment will still require medical insurance be obtained. This amendment is expected to decrease administrative overhead costs associated with medical insurance premiums paid due to the decrease of coverage from \$50,000 to \$20,000.

(3) A statement of the probable effect on impacted small businesses and consumers;

Small businesses will have a decrease in overhead costs associated with promoting fights in Tennessee. This may increase the number of events and contests held in Tennessee due to the reduction of costs in regulation. Consumers are not expected to be affected by these rule amendments.

(4) A description of any less burdensome, less intrusive or less costly alternative methods of achieving the purpose and objectives of the proposed rule that may exist, and to what extent the alternative means might be less burdensome to small business;

These amendments decrease the current cost requirements for all promoters. Because this rule decreases a current regulation, it is not perceived as intrusive or require a less costly alternative method of achieving the purpose and objectives of the proposed rule. Further, this rule is for the protection of combatants and as such it would not be advisable to allow an exemption for small businesses.

(5) A comparison of the proposed rule with any federal or state counterparts; and

There are no federal counterparts that require a specific amount of medical insurance. However, federal law under 15 USC § 6304(4) does require that health insurance be provided for each boxer for any injuries sustained in the match. This requirement relates to boxing only and does not apply to mixed martial arts or kickboxing.

Other surrounding states have similar regulations for such insurance ranging from \$2,500 to \$20,000, with Virginia being an outlier at \$50,000.

(6) Analysis of the effect of the possible exemption of small businesses from all or any part of the requirements contained in the proposed rule

This amendment decreases a regulatory requirement and, as such, small businesses would not benefit from this amendment if they were exempted from this change.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 “any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments.” (See Public Chapter Number 1070 (<http://publications.tnsosfiles.com/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

These amendments are not projected to have impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

- (A)** A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

The rule being amended in 0145-01-.04 and -.05 sets out the responsibilities of promoters when conducting a contest. This rule mandates that as a prerequisite for a permit, proof must be shown of medical coverage for each combatant for injuries sustained in the contest. The rule as amended will reduce the amount of medical coverage from \$50,000 to \$20,000.

- (B)** A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

There is no federal law or regulation or state law or regulation mandating promulgation of such rule or establishing guidelines. However, under Federal Law, 15 USC § 6304(4), for boxing contests, medical coverage is required. This rule only reduces such coverage, and, therefore, the federal requirements do not apply. Though not mandating this rule, 2015 Public Chapter 351, § 13 amended the statutory requirement found in T.C.A. § 68-115-211, regarding medical insurance for contests, by amending the previous statutory requirement of a minimum of \$25,000 of medical coverage to "in an amount to be set by rule, as promulgated by the Commission."

- (C)** Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

This rule will most directly affect any promoter who intends to promote a contest in Tennessee or any promoter who intends to promote a contest in a state in which the medical insurance coverage is below \$50,000. This rule will also affect every contestant who engages in unarmed combat in Tennessee. This rule directly affects the Tennessee Athletic Commission, which is statutorily required to partake in management of contests and to provide permits for such.

At the Tennessee Athletic Commission's December 5, 2017, meeting, Tim Loy of Valor Fights, a promoter, voiced his approval of a lowered medical coverage for contests in Tennessee from the current \$50,000. Mr. Loy spoke about his past experience regarding medical coverage and has not had a claim above \$20,000. Several Commission members noted in agreement that they have not experienced a medical claim above \$20,000 for events they have been involved with. It is unknown whether any individual combatant urges adoption or rejection of this rule. The Tennessee Athletic Commission urges adoption of this rule.

- (D)** Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule or the necessity to promulgate the rule;

There is no known opinion of the attorney general and reporter or any judicial ruling that directly relates to the rule or the necessity to promulgate the rule.

- (E)** An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

The Tennessee Athletic Commission cannot determine any probable increase or decrease in state and local government revenues and expenditures resulting from the promulgation of this rule. It is expected that this rule will increase the number of contests conducted in Tennessee from national promoters; however, the amount of increase in revenue or expenditures to state and local government is unknown.

(F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Elizabeth Goldstein – Assistant General Counsel
TN Dept. of Commerce and Insurance

Anthony Glandorf – Chief Counsel
TN Dept. of Commerce and Insurance

(G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Elizabeth Goldstein – Assistant General Counsel
TN Dept. of Commerce and Insurance

Anthony Glandorf – Chief Counsel
TN Dept. of Commerce and Insurance

(H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Elizabeth Goldstein – Assistant General Counsel
500 James Robertson Parkway
Nashville, TN 37243
615-770-0089
Elizabeth.goldstein@tn.gov

Anthony Glandorf – Chief Counsel
500 James Robertson Parkway
Nashville, TN 37243
615-770-0089
Anthony.glandorf@tn.gov

(I) Any additional information relevant to the rule proposed for continuation that the committee requests.

None.

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Sequence Number: _____
Rule ID(s): _____
File Date: _____
Effective Date: _____

Proposed Rule(s) Filing Form-Redline

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Pursuant to Tenn. Code Ann. § 4-5-229, any new fee or fee increase promulgated by state agency rule shall take effect on July 1, following the expiration of the ninety (90) day period as provided in § 4-5-207. This section shall not apply to rules that implement new fees or fee increases that are promulgated as emergency rules pursuant to § 4-5-208(a) and to subsequent rules that make permanent such emergency rules, as amended during the rulemaking process. In addition, this section shall not apply to state agencies that did not, during the preceding two (2) fiscal years, collect fees in an amount sufficient to pay the cost of operating the board, commission or entity in accordance with § 4-29-121(b).

Agency/Board/Commission:	Tennessee Athletic Commission
Division:	Regulatory Boards Division
Contact Person:	Elizabeth Goldstein
Address:	500 James Robertson Parkway
Zip:	37243
Phone:	615-741-3072
Email:	Elizabeth.goldstein@tn.gov

Revision Type (check all that apply):

- Amendment
- New
- Repeal

Rule(s) (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please make sure that **ALL** new rule and repealed rule numbers are listed in the chart below. Please enter only **ONE** Rule Number/Rule Title per row)

Chapter Number	Chapter Title
0145-01	General Provisions
Rule Number	Rule Title
0145-01-.04	Permits for Professional Contests
0145-01-.05	Responsibilities of Promoters

0145-01 General Provisions
Amendments

Rule 0145-01-.04(2) Permits for Professional Contests is amended by substituting the monetary amount within subsection (e) with the following language:

- (1) A promoter of a contest of unarmed combat shall obtain a permit from the Commission not less than thirty (30) days prior to the date of the contest.
- (2) Applications for permits shall be submitted on forms prescribed by the Commission. The applicant shall completely and truthfully respond to all questions or requests for information propounded on, or in connection with, the application. Applications for permits shall include, without limitation:
 - (a) the address where the contest is to be held;
 - (b) a list of the individual contests to be held, if more than one contest, including the names, addresses, phone numbers and contracted weights of all prospective contestants (i. e. the "contest sheet");
 - (c) if the program will be broadcasted, each date and network on which the program will be televised;
 - (d) a list of ring officials from which the Commission or the Commission's administrator may assign to the event. The Commission or the Commission's administrator may assign ring officials not contained in the list. The promoter will be responsible for payment for the ring officials' services; and
 - (e) proof of medical insurance covering the combatant for any injuries sustained in any contest to be held under the permit in an amount of not less than fifty twenty thousand dollars ~~(\$50,000.00)~~ (\$20,000.00).

Provided that the promoter has completed the application completely and provided all requested information, an application for permit will be processed within five (5) business days from the date of receipt.

- (3) The promoter shall immediately notify the Commission's administrator of any change in the information submitted pursuant to paragraph (2) above. The contest sheet shall be deemed final seven (7) business days prior to the contest.
- (4) If the Commission's administrator determines (on the basis of available information) that a proposed contest would not be reasonably and fairly competitive, the administrator shall so advise the promoter within five (5) business days after receipt of the application submitted in accordance with this rule. Unless the administrator is offered evidence or argument which causes him or her to reverse that determination, such contest shall not be held in this state and any permit issued for a program of multiple unarmed combat contests shall not include the same. The applicant may appeal the administrator's decision to the Commission.
- (5) If the Commission's administrator determines that a proposed venue would not be appropriate, the administrator shall so advise the promoter within five (5) business days after receipt of the application submitted in accordance with this rule. Unless the administrator is offered evidence or argument which causes him or her to reverse that determination, such venue shall not be utilized. The applicant may appeal the administrator's decision to the Commission.
- (6) The fee for the permit shall be three hundred dollars (\$300.00).

Authority: Chapter 1149 of the Public Acts of 2008, § 2 and T.C.A. §§68-115-201 and 68-115-205 [effective July 1, 2008].

Rule 0145-01-.05(7) Responsibilities of Promoters is amended by substituting the monetary amount with the following language:

- (1) It shall be the responsibility of the promoter of an unarmed combat contest to inform all prospective participants that it will be necessary for them to be duly licensed in accordance with Rule 0145-01-.03 Licensing.
- (2) No promoter shall knowingly permit any person to act as a boxer, mixed martial artist, kickboxer, manager or second in any contest if such person is (or would be) prohibited from acting in such capacity by any provision of the Tennessee Athletic Commission Act of 2008 or any rules or regulations of the Tennessee Athletic Commission.
- (3) The promoter shall assure that the ringside physician is seated so as to have immediate access to the ring.
- (4) The promoter shall provide surgical gloves to all persons working in the ring. No promoter shall knowingly permit any person to act as a second (including a manager acting as a second) or referee in any contest unless such person is supplied with, and uses, such surgical gloves. The promoter is responsible for ensuring that acceptable sanitary standards are met with respect to dressing rooms, water bottles, towels or other equipment. Physicians and commission representatives shall specifically check at every contest or event for violations of these rules. The ring shall be swept, dry-mopped, or otherwise adequately cleaned before the event and prior to each fight.
- (5) Prior to the initiation of any contest or event, a commission representative shall inspect the bout area for safety and the promoter of the contest or event shall be required to make whatever changes to such area as are necessary in the judgment of the commission representative.
- (6) The promoter shall ensure that the emergency equipment and procedures required by T.C.A. §68-115-404 are provided for at each unarmed combat contest.
- (7) No person may arrange, promote, organize, or produce a professional unarmed combat contest without providing health insurance for each combatant to provide medical coverage for any injuries sustained in the contest in an amount not less than ~~fifty~~ twenty-thousand dollars (~~\$50,000.00~~) (\$20,000.00). The promoter shall provide proof of such coverage at the time the promoter applies for a permit for a professional contest.
- (8) The promoter shall ensure the venue provides a sufficient ringside area for commission officials and ring officials to carry out their official duties.
- (9) The Promoter shall be responsible for the cost of any tests or examinations ordered by the Commission's administrator, or his designee, pursuant to Rule 0145-01-.08.
- (10) The promoter shall file with the Commission's administrator a copy of any and all contracts entered into for the sale, lease, or other exploitation of broadcasting, television or motion picture rights for any professional contest.

Authority: Chapter 1149 of the Public Acts of 2008, § 2 and T.C.A. §§68-115-201, 68-115-204, 68-115-211, 68-115-213 and 68-115-214 [effective July 1, 2008].

* If a roll-call vote was necessary, the vote by the Agency on these rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Chad Chilcutt	x				
Donald Mill				x	
Steve Hannah	x				
Tracey Mill Davis				x	
Joe Smith	x				

I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the Commission on December 5, 2017, and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of ninety (90) days of the filing of the proposed rule with the Secretary of State.

Date: _____

Signature: _____

Name of Officer: Elizabeth Goldstein

Title of Officer: Assistant General Counsel

Subscribed and sworn to before me on: _____

Notary Public Signature: _____

My commission expires on: _____

Agency/Board/Commission: Tennessee Athletic Commission

Rule Chapter Number(s): 0145-01

All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Herbert H. Slatery III
Attorney General and Reporter

Date

Department of State Use Only

Filed with the Department of State on: _____

Effective on: _____

Tre Hargett
Secretary of State

Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process, all agencies shall conduct a review of whether a proposed rule or rule affects small business.

(1) The type or types of small business and an identification and estimate of the number of small businesses subject to the proposed rule that would bear the cost of, or directly benefit from the proposed rule;

All promoters applying for a permit for unarmed events or contests will be affected by this rule. Since January 1, 2017, the Commission issued 42 permits.

(2) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed rule, including the type of professional skills necessary for preparation of the report or record;

These amendments are not projected to change any recordkeeping costs. This amendment will still require medical insurance be obtained. This amendment is expected to decrease administrative overhead costs associated with medical insurance premiums paid due to the decrease of coverage from \$50,000 to \$20,000.

(3) A statement of the probable effect on impacted small businesses and consumers;

Small businesses will have a decrease in overhead costs associated with promoting fights in Tennessee. This may increase the number of events and contests held in Tennessee due to the reduction of costs in regulation. Consumers are not expected to be affected by these rule amendments.

(4) A description of any less burdensome, less intrusive or less costly alternative methods of achieving the purpose and objectives of the proposed rule that may exist, and to what extent the alternative means might be less burdensome to small business;

These amendments decrease the current cost requirements for all promoters. Because this rule decreases a current regulation, it is not perceived as intrusive or require a less costly alternative method of achieving the purpose and objectives of the proposed rule. Further, this rule is for the protection of combatants and as such it would not be advisable to allow an exemption for small businesses.

(5) A comparison of the proposed rule with any federal or state counterparts; and

There are no federal counterparts that require a specific amount of medical insurance. However, federal law under 15 USC § 6304(4) does require that health insurance be provided for each boxer for any injuries sustained in the match. This requirement relates to boxing only and does not apply to mixed martial arts or kickboxing.

Other surrounding states have similar regulations for such insurance ranging from \$2,500 to \$20,000, with Virginia being an outlier at \$50,000.

(6) Analysis of the effect of the possible exemption of small businesses from all or any part of the requirements contained in the proposed rule

This amendment decreases a regulatory requirement and, as such, small businesses would not benefit from this amendment if they were exempted from this change.

Impact on Local Governments

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 “any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments.” (See Public Chapter Number 1070 (<http://publications.tnsosfiles.com/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

These amendments are not projected to impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

- (A)** A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

The rule being amended in 0145-01-.04 and -.05 sets out the responsibilities of promoters when conducting a contest. This rule mandates that as a prerequisite for a permit, proof must be shown of medical coverage for each combatant for injuries sustained in the contest. The rule as amended will reduce the amount of medical coverage from \$50,000 to \$20,000.

- (B)** A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

There is no federal law or regulation or state law or regulation mandating promulgation of such rule or establishing guidelines. However, under Federal Law, 15 USC § 6304(4), for boxing contests, medical coverage is required. This rule only reduces such coverage, and, therefore, the federal requirements do not apply. Though not mandating this rule, 2015 Public Chapter 351, § 13 amended the statutory requirement found in T.C.A. § 68-115-211, regarding medical insurance for contests, by amending the previous statutory requirement of a minimum of \$25,000 of medical coverage to "in an amount to be set by rule, as promulgated by the Commission."

- (C)** Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

This rule will most directly affect any promoter who intends to promote a contest in Tennessee or any promoter who intends to promote a contest in a state in which the medical insurance coverage is below \$50,000. This rule will also affect every contestant who engages in unarmed combat in Tennessee. This rule directly affects the Tennessee Athletic Commission, which is statutorily required to partake in management of contests and to provide permits for such.

At the Tennessee Athletic Commission's December 5, 2017, meeting, Tim Loy of Valor Fights, a promoter, voiced his approval of a lowered medical coverage for contests in Tennessee from the current \$50,000. Mr. Loy spoke about his past experience regarding medical coverage and has not had a claim above \$20,000. Several Commission members noted in agreement that they have not experienced a medical claim above \$20,000 for events they have been involved with. It is unknown whether any individual combatant urges adoption or rejection of this rule. The Tennessee Athletic Commission urges adoption of this rule.

- (D)** Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule or the necessity to promulgate the rule;

There is no known opinion of the attorney general and reporter or any judicial ruling that directly relates to the rule or the necessity to promulgate the rule.

- (E)** An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

The Tennessee Athletic Commission cannot determine any probable increase or decrease in state and local government revenues and expenditures resulting from the promulgation of this rule. It is expected that this rule will increase the number of contests conducted in Tennessee from national promoters; however, the amount of increase in revenue or expenditures to state and local government is unknown.

(F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Elizabeth Goldstein – Assistant General Counsel
TN Dept. of Commerce and Insurance

Anthony Glandorf – Chief Counsel
TN Dept. of Commerce and Insurance

(G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Elizabeth Goldstein – Assistant General Counsel
TN Dept. of Commerce and Insurance

Anthony Glandorf – Chief Counsel
TN Dept. of Commerce and Insurance

(H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Elizabeth Goldstein – Assistant General Counsel
500 James Robertson Parkway
Nashville, TN 37243
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Anthony Glandorf – Chief Counsel
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(I) Any additional information relevant to the rule proposed for continuation that the committee requests.

None.