



CALIFORNIA STATE ATHLETIC COMMISSION

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Members of the Commission

Peter R. Villegas, Chair

Dr. Vernon Williams, Vice Chair

AnnMaria De Mars

Ronald Fiore

Christopher Gruwell

Douglas Hendrickson

Scott Wetch

COMMISSION MEETING OF THE CALIFORNIA STATE ATHLETIC COMMISSION

MEETING MINUTES

Saturday December 9, 2023

10:00 a.m. - Conclusion of Business

Location:

238 Townsend St.

San Francisco, CA 94107

Commissioners Present

Chair Peter R. Villegas

Commissioner Dr. AnnMaria De Mars

Commissioner Douglas J. Hendrickson

Commissioner Ronald Fiore

Commissioner Christopher Gruwell

Commissioner Scott Wetch

Staff Present

Andy Foster, Executive Officer

Patrisha Blackstock, Assistant Executive Officer

Kenneth Swenson, Legal Counsel

Claudia Ron, Staff Services Analyst

OPEN SESSION

Agenda Item 1 – Call to Order / Roll Call / Establishment of Quorum

The meeting was called to order at 10:00 a.m. by Chair Peter Villegas. Executive Officer (EO) Andy Foster called roll; Vice Chair Dr. Williams was not in attendance. Quorum was established.

Agenda Item 2 – Chairman’s Opening Remarks

Chair Villegas welcomed everyone to the San Francisco meeting and praised the work the Commission did to get the MMA Benefit Fund passed. Chair Villegas welcomed Mauricio Sulaiman and Duane Ford from the WBC and NABF. Mr. Sulaiman and Mr. Ford presented former Chair Carvelli with a WBC commemorative belt to acknowledge all the work he did for California while he was with the Commission. Mr. Sulaiman and Mr. Ford presented the Commission of the Year award the Commission and presented EO Foster with the Executive officer of the Year award.

Agenda Item 3- Review and Possible action to approve the September 11, 2023, Commission Meeting Minutes.

Chair Villegas presented the September 11, 2023, Commission meeting minutes for approval.

Commissioner Gruwell moved to approve the meeting minutes.

Commissioner Fiore seconded the motion.

No Commission or public comments

The motion passed 7-0 by roll call vote.

Agenda Item 4- Review and Possible Action to Approve the Proposed 2024 Commission Meeting Dates.

Commissioner Gruwell moved to approve the future meeting dates.

Commissioner Fiore seconded the motion.

No Commission or public comments

The motion passed 7-0 by roll call vote.

Agenda Item 5- Budget Update from the Budget Office of the Department of Consumer Affairs

EO Foster presented his report on the Commission’s budget and compared the years 2018-19 to current years. EO Foster explained that 5 of the Commissions licensed promoters accounted for 72% of the Commission's revenue. EO Foster explained that the Commission halted shows in March 2020 and in 2021 promoter TGB accounted for 68% of the Commission's revenue. He added that this continued into fiscal year 21/22. EO Foster explained that in fiscal year 22/23, TGB has held less shows, as Showtime has been

leaving the boxing market. In fiscal year 23/24, TGB has not held any events in California, Bellator had been acquired by PFL (who is not currently licensed in California), and that TS-1 had left California. EO Foster explained that the Commission has been holding an increasing number of events, but the large promoters have been absent. EO Foster stated he is less concerned about the appropriation, rather he is concerned about the Commission's fund itself. EO Foster stated that he does not see the Commission making the projected \$1.9 million in revenue this fiscal year but thinks that the recent gate cap bill that was passed will help. EO Foster explained that the Commission began the fiscal year with a little over \$500,000 in the fund. EO Foster added that with the volatility of the Commission's revenue, if there is a bad year the fund could be impacted. The Commission could ask the Department of Consumer Affairs for a loan, but the Commission would need to have the ability to pay the loan back. EO Foster explained that there is currently a shift of traditional legacy media to streaming that is taking a while to get figured out, and that shift is impacting the Commission's revenue.

EO Foster stated that this is not a problem unique to California. In terms of cost-cutting measures that have been proposed by DCA, there has been nothing helpful to the way CSAC does business. EO Foster mentioned the Commission gets 85% or more of its revenue from events, not licensing, which is the difference between it and other Boards and Bureaus. EO Foster explained that the New York Athletic Commission is generally funded, and the Nevada Commission went to special fund. EO Foster explained that the Nevada Commission's fees are significantly higher, and that California is competitive in fees, cap on gate and TV fees making it more competitive to attract events.

EO Foster explained how projections "are made up" because there isn't a way to tell who will get licensed or who will run an event. EO Foster compares it to the tourism industry for large events.

Commissioner Wetch compared the Commission to the Horse Racing Board, who is also special funded and has some flexibility in the way it gains revenue. He suggested the Commission speak with them for more information. He proposed a subcommittee to review the Commission's budget. Chair Villegas agreed. Chair Villegas stated that Commission events are economic drivers for local areas and that the Commission should highlight the impact events have on local businesses to hopefully get the resources the Commission needs. Chair Villegas stated he wanted some time to process and decide on who would be on the Budget Subcommittee.

Agenda Item 6 – Discussion and Possible Action regarding Bare Knuckle Fighting Championship Request for a temporary Promoter license in order to Hold an Event using Bare Knuckle Fighting Rules pursuant California Code of Regulations, title 4, section 533.

EO Foster stated that David Feldman has approached the Commission to obtain a promoter license. EO Foster explained that in 2018 the first bareknuckle event was held and regulated by the Wyoming Commission. Since then, there's been mainly two promoters

in that space. EO Foster explained that Bare Knuckle FC (BKFC) is the largest promoter and uses 2-minute rounds, rather than 3-minute rounds, which he felt was better in order for the fighters to have less exposure. EO Foster stated that he had no recommendation for the Commissioners. If approved, EO explained it would take a few months to get the officials trained and staff prepared. He added that the earliest date they could hold an event would likely be in March.

Sean Wheelock and David Feldman of BKFC stated their promotion was projected to have 62 events in 9 countries in 2024. Mr. Wheelock stated that their sport has no more concussions, hand damages, or facial fractures than boxing, though they do have more lacerations. Mr. Wheelock stated that their promotion provides larger purses than any other promotions aside from UFC. Mr. Wheelock would like to have one test event in California at the end of March or April if approved by the Commission.

Dr. Allende, member of the Advisory Committee on Medical and Safety Standard (MAC), reviewed the promotion's rules and regulations and injury data and found that the data does not show any more health risks than other combat sports the commission already regulates. Dr. Allende stated the Committee is supportive of granting BKFC a temporary license. Commissioner Dr. DeMars watched some BKFC fights and stated that there were not a lot of severe injuries, but there were definitely more cuts. Dr. Allende stated the ringside doctors would deal with cuts the same way as other sports.

Commissioner Gruwell explained that he attended an event in Utah with Chief Athletic Inspector Mark Relyea. Commissioner Gruwell stated Mr. Relyea provided him with explanations of how California would run the event that would mitigate any issues seen in Utah. Commissioner Gruwell stated he saw a well-run organization with a well-run event. Commissioner Gruwell stated that the question is does BKFC want to be regulated by California, because California regulates things much differently.

EO Foster stated to the Commissioners that if they were to approve BKFC's license he would recommend putting requirements in the motion for 2-minute rounds. He explained that California has the opportunity to set the standard of how bareknuckle is run. EO Foster explained that they will need to have serious drug testing protocols in place for BKFC and would like the promotion to incur some of the costs of that.

Commissioner Wetch stated he doesn't see a differentiation in skill from boxing or MMA but is concerned about the optics and the impact down the road. Commissioner Wetch stated that he does not approve of the "King of Violence" belt that is given out in BKFC. He also mentioned that he met with Senators who voiced pushback on sport.

Mr. Wheelock says the "King of Violence" belt mentioned by Commissioner Wetch was for a particular bout sponsored by the Ariel Helwani show with two veteran MMA fighters. Mr. Wheelock stressed that fighters are all experienced, not people off the street, and that all fighters must be an experienced combat sports athlete.

Commissioner Gruwell asked how the promoter makes sure the fighters are actually experienced and trained enough to even be fighting. EO Foster says part of that is the matchmaking, if you're decent fighter in MMA you should at least be able to transition over. EO Foster stated his concern is weight cutting. Mr. Feldman explained the weight classes in BKFC go by 5's (155, 165, 175). Mr. Feldman added that they found fighters have less difficulty and make less extreme weight cuts because there isn't as big of a gap between classes and there are more options.

Commissioner Dr. DeMars stated she is looking at safety vs individual decisions: taking people who don't have a lot of options and giving them a little money to make lots of money for a corporation. She asked where is the line between safety and peoples' right to do what they want to do? Commissioner Dr. DeMars asked if bareknuckle fighting was less safe than the sports already regulated by the Commission. She stated the data may say bareknuckle fighting is not more dangerous but added that currently there's not a lot of data on the sport.

*Commissioner Gruwell **motioned** to approve Bare Knuckle Fighting Championships (BKFC) request for a temporary Promoters license to allow them to hold one event using BKFC rules as part of a pilot program. BKFC will work with the Commission to establish a comprehensive regulatory framework, and BKFC agrees to reimburse the Commission for any fees incurred in establishing this framework. BKFC agrees to 2-minute rounds, enhanced drug tests, and a stitch doctor on site. After the conclusion of the one event the Executive Officer is to provide a report to the Commission on the event held, and the Executive Officer has the option to then approve BKFC to hold three additional events using BKFC rules.*

*Commissioner Dr. DeMars **seconded** the motion.*

Public Comments

Rose Gracie says BKFC is the safest bareknuckle promoter out there.

Tom Taylor, California licensed referee, reached out to referees in other states to pick their brains. He stated other than the optics and blood, they said it's no different than the other sports. Mr. Taylor was confident they can make it a safe game and would be a good sport for California.

Mr. Feldman stated that BKFC is willing to comply with California regulations.

Wetch abstained. The motion passed 5-0.

Agenda Item 7 – Discussion and Possible Action regarding Power Slap Promotions Request for a temporary Promoter license in order to Hold an Event using Power Slap Rules pursuant California Code of Regulations, title 4, section 533.

EO Foster stated that the Department had performed a legal analysis on regulating Power Slap in California. Legal Counsel Ken Swenson explained that the Department found that the Commission has authority over combat sports in California and if the Commission decides not to exercise its jurisdiction over Power Slap it could be seen as a waiver and allow unlicensed promotions to hold events under the assumption that the Commission is not exercising its jurisdiction. EO Foster explained that the Department's legal analysis gave him reason to discuss the possibility of regulating Power Slap and is confident that the Commission can regulate the sport.

Hunter Campbell, part of the ownership group of Power Slap Promotions, stated that they will not hold events in California without it being regulated because they don't want to open the door for copycat promoters to come in and hold events without the same safety requirements. Mr. Campbell explained that the KO rate is about 38.2%, lower than UFC's 43-57%; the hospital transport rate is 6%; 42% of participants receive no medical suspensions from the Nevada doctors; because the weight classes are limited there is virtually no weight cutting. Mr. Campbell stated the average viewership for Power Slap is 1.7 million viewers. Mr. Campbell explained that the promotions went to the best officials to work with and are using the same officials they used in the UFC.

Dr. Allende reviewed the available data on Power Slap and their rules and regulations with. Dr. Allende did not see any greater risk than other sports regulated and would be supportive of the Commission issuing Power Slap a license.

Mr. Campbell explained that Power Slap originated from a video he watched originating from Russia that had millions of views. He began to look into how they could make this work in the US. The promotion worked to change the ruleset and limit matches to 3 to 5 rounds (one round equals one slap per contestant). Mr. Campbell explained they abandoned the redemption rule out of an abundance of caution. He stated if the participant is KO'd, they would rather have that person be taken to the back to be examined by the doctor.

Commissioner Dr. DeMars stated she is more concerned about Power Slap due to there being less available data. She stated the type of injury seems more significant versus the injuries seen in bareknuckle fighting. Commissioner Dr. DeMars says it is more reasonable to approve it once and look at the results. She would like to know what the rate of knockouts and hearing loss is in general and by weight division. Commissioner Dr. DeMars proposed approving one event and reviewing the data.

Dr. Allende agreed that there is not a lot a data, but there is a system the promotion has put in place with fouls and rules. Dr. Allende stated he does not feel bare knuckles have any different impact than an open hand.

Mr. Campbell explained that he feels the rules of hitting mitigate most of the risks Commissioner Dr. DeMars was talking about. He estimated 35% of the time a participant will commit a foul, however rules were put in place to allow fighters to stop and reset which reduced the number of fouls. He stated he would need to get numbers on how much it decreased. Mr. Campbell explained Power Slap Promotions requires athletes to come in early and go through a "training camp" with medicals at the Performance Institute. He stated many are amateur and low-level MMA fighters who don't see themselves making it to the UFC but see another opportunity to continue a career in combat sports.

Mr. Campbell explained that their events are invite only so a few hundred people are in attendance on average. He is highly confident that Power Slap would have a lot of interest if they were to sell tickets for an event in California, but the promotion would likely start small or pair up with a UFC event.

Mr. Campbell stated they have not had one positive CT or MRI scan, and that follow-up scans are at the discretion of the Commission physician. He explained that every fighter is required to submit the usual medical exams required by the Commission regulating.

Mr. Swenson clarified that by not regulating Power Slap, an argument can be made that the Commission feels that it does not have jurisdiction over the sport, and that would make it difficult to issue and enforce a cease-and-desist order. Commissioner Gruwell asked if doing one event will allow the Commission to serve cease and desists from now on. Mr. Swenson stated that even if the Commission approved one event and it doesn't work out, it would still allow the Commission to serve cease-and-desists to illegal events.

Commissioner Dr. DeMars moved to approve one pilot event with a temporary license, to require hard data on the injury rate for athletes before approving any further events, to the require promotion to help obtain data, and to require the Medical Advisory Committee to review data obtained before approving further events.

Commissioner Wetch asked how could the Commission approve BKFC, a promoter with no track record in California, for one event with a different stipulation versus what is being requested here with a promoter that already has a track record in California? Commissioner Dr. DeMars stated that she would like to see more data on the injuries. Mr. Campbell stated that they would provide and pay for the data on the injury rates if needed.

Chair Villegas stated that he would like to keep the motion similar to the motion for BKFC by requiring a report after a test event and a recommendation from the EO before approving for further events.

Commissioner Wetch moved to amend the previous motion to approve Power Slap Promotions' request for a temporary Promoters license to allow them to hold one event using Power Slap rules as part of a pilot program. Power Slap Promotions will reimburse the Commission any costs incurred during the establishment of the regulations and the

collection of data. The event will be subject to rules negotiated with the EO and the promoter will be required to provide data from that event to the Medical Advisory Committee and EO for review. After the conclusion of the one event the Executive Officer is to provide a report to the Commission on the event held, and the Executive Officer has the option to then approve Power Slap Promotions to hold three additional events using Power Slap Rules.

*Commissioner Dr. DeMars **seconded** the motion.*

Public Comments

Rose Gracie, co-founder of Fighting Foundation and member of the Gracie Jiu Jitsu family, stated that there is no hard data stating that the sport is safe. Ms. Gracie stated that research has shown that repetitive head injuries cause CTE that is devastating the fighting community. Ms. Gracie argued that the Commission was put in place to protect the health and safety of participants and they shouldn't approve Power Slap for a license.

The motion passed 6-0.

Agenda Item 8 - Review and Possible Action approving proposed changes to Sections 401-409 of Article 12, of Division 2 of Title 4 of the California Code of Regulations – to remove the break in service from the Boxer Pension Plan eligibility requirements, funding and contributions, plan administration and language clean up.

EO Foster suggested the Commission table this item until the next meeting due to new language proposed by the Regulatory Counsel.

Agenda Item 9 - Discussion and Possible Action on Petition to Change the Decision for Justin Jaynes vs Christopher Padilla bout on October 21, 2023, in Commerce, CA.

EO Foster explained that a strike or hit to the back of the head is a foul and that he is confident that Mr. Jaynes was hit twice to the back of the head, however he is asking the Commissioners if the strikes to the back of the head were what caused Mr. Jaynes to lose the fight. The Commissioners reviewed footage of the fight in question and the petition to change decision that was submitted. EO Foster explained that he did not think Mr. Padilla was trying to intentionally hit him in the back of the head, that Mr. Jaynes was moving around and was incidentally hit in the back of the head.

*Commissioner Dr. DeMars **moved** to deny the petition to change decision.*

*Commissioner Fiore **seconded** the motion.*

The motion passed 5-0.

Agenda Item 10 – Discussion and Possible Action regarding a specialty license plate selection for funding of the Boxers Pension Plan and other Martial Arts Retirement Plans.

EO Foster presented the options for specialty license plates for the funding of the Boxer's Pension Plan and MMA Benefit Fund.

Commissioner Dr. DeMars moved to approve license plate option number five.

Commissioner Wetch seconded the motion.

The motion passed 5-0.

Agenda Item 11 - Review and Discussion of UCLA Professor Rudy Mondragón's Policy Pathways for Professional Boxing in California report and findings.

Dr. Rudy Mondragón, social scientist and professor from UCLA, presented his report on boxing labor and economic policies, the draft of which can be found in the meeting materials.

EO Foster explained that many of the recommendations from Dr. Mondragón's report have been included in the Commission's Sunset Report.

The Commissioners discussed methods of implementing a financial literacy webinar for fighters.

Agenda Item 12 - Review and Approval of the California State Athletic Commission Draft Sunset Report.

The draft of the Commission's Sunset Report can be found in the meeting materials. EO Foster explained that every 4 years the Commission is required to present their Sunset Report to the legislature. EO Foster explained that many of the items from the Sunset Report were pulled from Dr. Mondragón's report and were presented to the Commission during the previous agenda item.

EO Foster explained some the issues he would be presenting on behalf of the Commission, include an increase of the cap on the boxer's pension fund from \$4600 to at least \$10,000, an increase in the per ticket assessment for the Boxer's Pension from \$.88 to \$1.00, and the authority to engage in financial literacy programs for fighters.

Commissioner Dr. DeMars suggested adding education on domestic abuse and mental health for fighters.

Chair Villegas stated the issue regarding the authority of the Commission's ringside physicians to direct paramedics and ambulances to transport fighters to a hospital for emergency care is of particular importance due to challenges the Commission has been receiving from various ambulance companies and counties.

Commissioner Gruwell moved to approve the amended draft Sunset Report as set forth in the meeting materials and to delegate to the EO the authority to make any technical non-substantiative changes to the report if any changes are needed or requested upon review.

Commissioner Wetch seconded the motion.

No public comments.

The motion passed 5-0.

Agenda Item 13 - Executive Officer's Report

EO Foster's report can be found in the meeting materials along with the supporting documents. EO Foster stated that the report also includes data on the knockout ratios of boxing and MMA.

Agenda Item 14 – Public Comment on Items Not on the Agenda

No public comments.

Meeting Adjourned at 2:00 PM