

MN Combative Sports Advisory Council
Department of Labor and Industry
Tuesday, October 22, 2019 @ 4:00 p.m.

Minutes

Members Present:

Bobby Brunette, Chair
Bob Dolan
Veid Muiznieks
Andrew Haugen
Vanessa Vogl
Denny Nelson

DLI Staff & Visitors:

Matt Schowalter – DLI
Eileen McNiff – DLI
Nancy Leppink – DLI
Matthew Jobe – DLI
Jacob Gaub - DLI

1. Call to Order

The meeting was called to order at approximately 4:02 p.m. and a quorum was present.

2. Approval and/or additions to Agenda

MSP: Approve the Agenda as presented.

3. Approval and/or additions to November 20, 2018 Minutes

MSP: Approve the November 20, 2018 minutes as presented.

4. Council and Commissioner Introductions

Bobby Brunette introduced newly appointed Council member Denny Nelson. Nelson was appointed as a member with boxing knowledge and will primarily be working with boxing officials.

Commissioner Leppink introduced herself and gave the Council a brief overview of her background. Commissioner Leppink asked the Council to introduce themselves, asked what she can do better, and what the Council can do better or what they feel their role should be.

Veid Muiznieks stated that no matter what, fighters will compete somewhere even if there is no regulatory body present. Muiznieks stated that the Council and regulation exist to protect fighter safety.

Bob Dolan stated that he felt Nancy was doing well so far and suggested that she attend an event so that she can learn more about the roles that everyone play and fighting in general.

Bobby Brunette stated that safety is key. If we didn't regulate, there would still be events and fighters would still be fighting. Without regulation it would be chaos. We all do the best we can to protect fighters. Brunette feels we are heading in the right direction. Our doctors are doing a fantastic job and are key to our function. Brunette also felt that communication with other commissions is important. He informed the commissioner that we get put in tough spots as regulators but do the best we can.

Denny Nelson stated that regulations are much stricter now than when he first got into boxing. Nelson feels that our doctors and officials are great. He informed the

Commissioner that our boxing officials work their way up the ranks by developing their skills in the amateurs and then being called up to work pro events when they are ready. He echoed the statements of other Councilors saying safety is the main thing.

Andy Haugen stated that he interned with the UFC and had the ability to see how regulation exists around the world.

Commissioner Leppink let the Council know that she plans on engaging with the Council and drawing from their experience when making decisions.

5. **Financial Update**

Jacob Gaub presented to the Council a financial update. Gaub gave an overview of finances from 2013 to present and also discussed current outstanding civil penalties that were issued by the Department.

Muiznieks asked if the Department has any power to ensure that the civil penalties were paid. Muiznieks was informed that would be covered under the legal update.

Gaub went on to give an overview of the Fiscal Year 2020 budget.

Muiznieks asked if there was the expectation to remain in the black at the end of FY20?

Gaub stated that there was been a drop in available cash, but it was expected that there would be a much greater drop in FY19 than there actually was. Gaub pointed out that the UFC event in June 2019 definitely gave the program a boost. Gaub went on to explain that State Program Administrator, Matt Schowalter, had other duties assigned within the Department so his full salary did not come out of OCS's budget. Combative sports does not bring in enough revenue to dedicate Schowalter full-time to OCS. Gaub said that a couple years down the road the Department could reassess where OCS is at and see if any changes need to be made from a financial standpoint. Gaub discussed how the Department dropped officials fees beginning in July 2019 and there's hope that the decrease in fees will result in more events.

Brunette expressed how with the events taking place at The Armory in Minneapolis, there seems to be a lot of tickets being comped which the Department does not currently count towards event fee calculations. Brunette wondered if it was known how much money was being lost on the comped tickets?

Schowalter stated that according to the event fee spreadsheets completed by the promotion of these events, they are comping no less than 50-60% of the total attendance. The Commissioner does have the ability to set the number of comps that won't count towards the event fee calculation, but as of yet, nothing has been decided.

6. **Legal Update**

OCS Legal Counsel, Matt Jobe, informed the Council that the changes to officials fees, and the elimination of the manager and announcer license type, did pass legislation and went into effect in July 2019. Jobe went on to explain that there are currently no other outstanding legislative proposals.

Jobe discussed the two outstanding \$10,000 fines issued to promoters that held an illegal event. The Department's decision to issue the penalties was confirmed. As of now, the

Department has not received any payments from the two individuals and the Department will explore issuing judgements in court. Although the fines would go directly to OCS's budget, it is unlikely that the fines are ever paid, but the Department is doing what they can to try and collect.

Jobe stated that we do have one grievance that is currently in litigation and is pending a pre-trial hearing. The two parties involved have been trying to come to an agreement, but that has not happened as of today. Any other grievances that have been received by the Department have been handled.

Jobe informed the Council that there have been discussions as of late about what the Department should be regulating. Statute says that we don't regulate amateur boxing and although statute does give us the ability to regulate other martial arts, the Department is not set up to do so.

Muiznieks asked if kickboxing fit under the statutory umbrella and if there could be pushback should we choose to regulate?

Jobe stated that the statute covers everything and that it is possible to have pushback.

Schowalter stated that statute does have a provision allowing for events involving students fighting each other, or events overseen by a third party sanctioning organization, to not be regulated by the Department. Currently, the kickboxing events are being overseen by recognized sanctioning bodies.

Brunette stated that years ago the Commission used to license people in amateur boxing. USA Boxing still regulated, but the Commission had oversight. As it currently stands, USA Boxing has direct access to our records and suspensions, but we don't have direct access to their suspension list. It's only by chance that we will discover someone that is suspended in amateur boxing. With so many fighters competing in multiple sports, it's important that we know if someone is trying to compete in an event regulated by OCS, they aren't under suspension in amateur boxing. Brunette wonders if OCS can have some sort of oversight over amateur boxing?

Jobe states that OCS could have oversight over amateur boxing, but it would have to a change made by the Commissioner and legislature.

Brunette asks to discuss the possibility of requiring promoters to use a set number of local fighters on their cards? He expresses that he's been contacted by individuals that are concerned with out-of-state promoters not using local fighters on their cards.

Jobe asks what the goal of requiring promoters to use local fighters would be? He wonders if these out-of-state promoters would still choose to do business in Minnesota if they required to use local fighters.

Brunette feels that out-of-state promoters would continue to do business in Minnesota if they were required to use local fighters.

Mark Nelson asks if something like that would apply any sports event such as football, basketball, baseball, etc?

Brunette is unsure how it would affect sports outside of combat sports, but wonders if labor laws would come into play similar to out-of-state construction companies being required to use local workers.

Andrew Haugen stated that he feels labor laws in the construction industry are totally unrelated to the combat sports industry. Haugen understands wanting to have as many local fighters on a card as possible, but if a promoter can be successful without using locals, why does it matter?

Denny Nelson states that he doubts other states use many local fighters on their cards. Fighters under contract with promoters may not always be from Minnesota.

Matt Jobe states that it may be more viable for local fighters to work up to that level of event.

7. 2019 ABC Conference Recap

Eileen McNiff gave the Council an overview of the 2019 Association of Boxing Commissions and Combative Sports annual conference. McNiff informed the Council that a new board of directors was elected, drug testing was discussed, possible rule change regarding the definition of a downed fighter in MMA, and that other presentations regarding choke holds, etc took place. McNiff is asking for the Council's feedback on whether OCS should explore drug testing in the future. In addition, she informed the Council that although the change of definition of a downed fighter was voted on, it wouldn't go into effect unless some regulatory bodies that didn't make full changes in 2016, made the necessary changes to make the entire ABC body unified.

Muiznieks asked if OCS would need to change statute if something was voted on and passed by the ABC?

McNiff stated that, yes, statute would need to be changed, but OCS is waiting to see what happens. McNiff informed the Council that they could visit the ABC website for more information regarding the 2019 conference.

8. New Business

Brunette brought up that on November 2 there will be a state title fight between Mengistu Zarzar and Phil Williams at the Myth Live in Maplewood. This will be a rematch of these two fighters and their first fight not only ended in a draw, but also resulted in a scuffle with the crowd. Although Myth Live is a great venue, Brunette is concerned about security for this event. He states that years ago, promoters were required to have a certain number of police officers present at every event depending on the total attendance.

Schowalter stated that he's aware of the concerns and had already spoken with the promoter. Extra inspectors were added to the event and the promoter has stated they will have police officers in attendance.

9. Adjournment

The meeting was adjourned at approximately 5:13pm.