



## California State Athletic Commission

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### CALIFORNIA STATE ATHLETIC COMMISSION

**Tuesday, June 17, 2008**

**10:00 A.M. – 12:30 P.M.**

**Junipero Serra State Building  
 Carmel Room  
 320 West Fourth Street  
 Los Angeles, California 90013**

#### Minutes

#### Commissioners Present:

Timothy Noonan, Chairman	Julio Ramirez, Vice-Chairman
Mario Rodriguez	Dr. Christopher Giza
Peter Lopez	Howard Rose

#### Commissioners Absent:

June Collison

#### Staff Present:

Armando Garcia, Executive Officer	Karen Chappelle, Deputy Attorney General
Bill Douglas, Acting Assistant Executive Officer	Anita Scuri, Legal Counsel, DCA
Dean Lohuis, Chief Athletic Inspector	

#### **The minutes reflect the order in which the agenda items were heard.**

**Agenda Item 1.** The meeting was called to order at 10:15 a.m. Executive Officer, Armando Garcia, called the roll. Commissioners present and accounted for: Giza, Lopez, Noonan, Ramirez, Rodriguez, and Rose. Commissioners absent: Collison.

**Agenda Item 2.** Commissioner Rose led the attendees in the Pledge of Allegiance.

#### **Agenda Item 3. Approval of Meeting Minutes**

Chairman Noonan requested an addition to the meeting minutes to reflect that the Investment Policy Statement differs from the statement previously approved by the Commission.

A motion was made, seconded, and carried unanimously to approve the meeting minutes for the April 22, 2008 Commission Meeting as amended.

#### **Agenda Item 4. Executive Officer Report**

##### *Strategic Plan Draft*

Executive Officer Garcia stated a draft of the Strategic Plan had been submitted to the Center for Public Interest Law, the Little Hoover Commission, and the State Auditor. He asked the Commission what the best method would be to advise the public that a new draft of the plan was available for review.

Ms. Scuri advised that the Athletic Commission website along with a notice to licensees would be an appropriate method of obtaining licensee input.

Executive Officer Garcia stated that a nearly final draft of the plan should be ready for review by the next scheduled Commission meeting.

### *Funds Update*

Executive Officer Garcia stated the \$264,000 remaining does not reflect the reallocation of funds in the pension account. Additionally, .5 of a salary transferred to support fund from the pension fund will cut down on administrative costs for the pension fund. Lastly, the Neurological Fund and Pension Fund have remaining amounts which do not reflect reallocation of funds.

### *Pension Plan Update*

Chairman Noonan stated the dollar amount in regard to the salary for Sal Barajas will be credited back to the pension fund. Under 30k will be credited back which only pertains to the current fiscal year.

Executive Officer Garcia stated the rounds purse report for 2006 was completed and forwarded to Beth Harrington. Additionally, the 2007 rounds purse report should be completed by June 30, 2008. Lastly, the 2008 rounds purse report is ongoing. EO Garcia was hoping that checks would be cut for vested boxers in order to invite them to the next scheduled Commission meeting. These actions are contingent upon completion of activity from Pension Benefit Specialists.

Executive Officer Garcia stated that any legislative changes required for the pension plan would need an author.

Chairman Noonan stated that any changes or proposed changes to the pension plan should be held in a separate Commission meeting.

### *Upcoming Training Dates*

July 11, 2008 – Officials

Executive Officer Garcia stated the date was to discuss proposed rulemaking changes and the item would eventually be submitted to the Commission as an information item. Ultimately, the changes would result in a regulatory hearing as we drew closer to proposing rule changes.

July 12, 2008 – Ringside Physicians and Athletic Inspectors

Executive Officer Garcia stated that Ringside Physicians would meet in the morning and Athletic Inspectors would meet in the afternoon session.

### *Update on Officials' Assignments*

Executive Officer Garcia provided an update on the assignment of officials.

### *Inspector Program Update*

Executive Officer Garcia provided an update on the Athletic Inspector Program.

## **Agenda Item 5. Appeals of Suspensions and Fines**

### Ricky Shivers

Mr. Shivers was not present for his hearing. Ms. Chappelle read the timeline of events to the Commission pertaining to Mr. Shivers' suspension and fine.

A motion was made, seconded, and carried unanimously to uphold the suspension and fine of Ricky Shivers.

Commissioner Giza recommended that all samples for drug testing in the future be tested independently of each other.

## **Agenda Item 6. Request for Regulatory Hearing on Proposed Regulations**

### *Rule 315 (new): Technical Area*

Vice-Chair Ramirez stated that he would like to see a "buffer zone" to separate the Commission from the public. Additionally, a list of the guests for the technical area should be provided at least one week prior to the event.

Ms. Scuri stated that the rule should be redrafted so that it does not impinge upon the constitutional rights of individuals.

### Public Comment:

Roy Englebrecht – Mr. Englebrecht stated that the majority of events are club level events which are small. No tv money is generated and the profits are based purely on ticket sales and some funds from the sponsors. He stated the sponsorship money and seats are reserved for people who want the true experience of a live event. Mr. Englebrecht is seeking an exemption from this rule for pre-existing club level shows.

Vice-Chair Ramirez would like to see a compromise reached with the promoters.

Ms. Scuri stated that the Commission can approve the concept now and approve the language at a later meeting.

A motion was made, seconded, and carried unanimously to approve the concept presented in Rule 315.

*Rule 371: Referee's License*

Chairman Noonan asked how the comments regarding this language would be reviewed.

Ms. Scuri stated that criteria would need to be established on this regulation and she would be happy to assist Executive Officer Garcia with revising the language.

Vice-Chair Ramirez asked about item #3.

Executive Officer Garcia stated that it is existing language. He further stated that the physician evaluation rule lists the "physical condition" criteria. Additionally, he stated that weight is referred to in existing language.

Ms. Scuri stated that the intent of these rule changes is for the Commission to be the authority on these items.

Chairman Noonan questioned why rules 371, 375, and 379 needed to be changed at all. He further stated that greater discussion is required before a decision can be made on these items.

Ms. Scuri recommended approval of the concept of the rule so that staff can redraft the language and present it at the next Commission meeting for approval of the language.

A motion was made, seconded, and carried unanimously to approve the concept presented in Rule 371.

*Rule 375: Referee's Physical Examination*

A motion was made, seconded, and carried unanimously to approve the concept presented in Rule 375.

*Rule 379: Judge's License*

Chairman Noonan wanted to know if a licensed judge has a way to appeal a ruling made by the Executive Officer in regard to judging proficiency.

Executive Officer Garcia stated that licenses will not be removed by anyone unless it is front of the Commission. He further stated it will be articulated in writing for the regulation.

Vice-Chair Ramirez wanted a definition of the term "Commission."

A motion was made, seconded, and carried unanimously to approve the concept contained in Rule 379.

**Agenda Item 7. Update on Non-Resident Withholding Tax**

Executive Officer Garcia stated that we should move toward legislative changes in regard to this item.

Vice-Chair Ramirez stated that a draft would need to be made to discuss what the intent would be of this item. He further stated that a sponsor has been found that would carry this legislation to eliminate the tax.

Chairman Noonan stated that in 2006, 2007, and 2008, there has been a decline in the number of events in California. He further stated that the Commission will be moving forward to sponsor this item.

Ms. Scuri stated that DCA has asked to be made aware of legislative proposals.

**Agenda Item 8. Update on Professional Boxers' Pension Plan**

Chairman Noonan commended the staff for moving forward with the completion of the rounds purse report. He inquired about outsourcing certain functions on an administrative basis. Chairman Noonan believes that an operations manual needs to be created in regard to the plan and the administration of the plan citing that systems and accountability need to be documented.

Chairman Noonan stated that recommendations will be discussed in regard to the SMIF account. He recommended that a third party advisor and independent investment advisor should be utilized as the Investment Policy Statement was changed and was not consistent with the best return and securing funds for athletes.

Chairman Noonan stated the Investment Policy Statement should discuss risk, return, fees for the advisor, and the process and requirements for awarding a contract of this nature.

Executive Officer Garcia asked how the policy can be changed appropriately.

Ms. Scuri stated that a contract is already in place.

Executive Officer Garcia wants to know how we can go in a completely new direction with the plan.

Ms. Scuri stated that a new contract request would need to be made and termination of the existing contract would need to be completed first.

Chairman Noonan wants to speak with Cyril Shah from Raymond James Financial to see if changes can be made in regard to the Investment Policy Statement. He further stated that two to four months will pass before Mr. Shah is spoken with in regard to changing the Investment Policy Statement.

The CSAC Staff members that worked on the rounds purse report were publicly commended for their efforts by Executive Officer Garcia.

**Agenda Item 9. Update on Physician’s Malpractice Insurance**

The Commission acknowledged that the physicians would organize themselves and that the organization would hold the insurance policy. Commissioner Giza has not received any status on this item from either Dr. Wallace or Dr. Gluckman.

**Agenda Item 10. Update on Medical Database Regarding the Neurological Fund**

The name of a database manager was forwarded to Executive Officer Garcia. Independent proposals for research regarding this database would need to be submitted to the Commission. The question remains whether to establish the database for Commission purposes only or allow outside organizations to have access to this system to conduct their own independent research in relation to neurological trauma from combative sports.

**Agenda Item 11. Update on Physician’s Pay Scale**

Commissioner Giza reviewed the physician’s fees and discovered the increase in revenue is approximately \$30,000 and the malpractice insurance will cost roughly \$50,000.

Commissioner Giza’s proposals for a change in physician’s fees included the following:

Midlevel event with no television - \$500

Midlevel event with television - \$600

TV/PPV Level 1 - \$700

TV/PPV Level 2 - \$750

\$250 per weigh-in but \$40 extra per fighter above 12 athletes.

Executive Officer Garcia clarified that if the Commission approves this fee schedule, the money will be raised for the malpractice insurance and that this increase is contingent upon the physicians showing the Commission they have obtained group malpractice insurance.

Public Comment:

Roy Englebrecht – Mr. Englebrecht advised the Commission to think about the limit that physicians can charge for suturing at an event if they decide to pass a pay increase.

Ms. Scuri stated that physicians began charging for suturing because it was not one of the required duties of a ringside physician.

Commissioner Giza stated that is a “moonlighting” type of deal because suturing was not to be conducted during the event itself.

**Agenda Item 12. Anti-Doping Program Update**

Executive Officer Garcia stated the latest statistics are included in the Commission’s packet.

**Agenda Item 13. Pregnancy Testing Position Statement**

Ms. Scuri presented a copy of the past pregnancy statement issued by the Commission.

Legislation and appropriate language would need to be drafted first before changes could be made regarding the Commission's position on pregnancy testing.

Commissioner Giza believes that medically and morally, the Commission's position on this subject should be documented.

A motion was made, seconded, and carried unanimously to move forward with legislation and with a new position statement.

**Agenda Item 14. Public Comment**

Tom Taylor, aspiring referee – Stated that he has been a referee, judge, and timekeeper in the amateurs since 2006. He wanted to introduce himself to the Commission and thanked Executive Officer Garcia for his support in his endeavors.

Ruben Aguirre, aspiring referee – Stated that he wanted to introduce himself to the Commission.

**Agenda Item 15. Agenda Items for Future Meetings**

- Legislation: pension, fine max to percentage of purse, pregnancy testing, amateur boxing and fees, non-resident tax withholding
- Physicians' pay scale
- Physicians' malpractice insurance
- Anti-Doping update
- Non-resident withholding tax update
- Pension plan update
- Rule change language
- Who can access and use the neurological database

**Agenda Item 16. Future Meeting Dates**

- August 27, 2008 in Los Angeles, California
  
- November 20, 2008 in Los Angeles, California

**Agenda Item 17. Adjournment**

The meeting was adjourned at 12:20 p.m.