



North Carolina Department of Crime Control and Public Safety

Michael F. Easley, Governor

Bryan E. Beatty, Secretary

October 15, 2007

The Honorable Marc Basnight
President Pro-Tempore
North Carolina Senate
Legislative Building, Room 2007
Raleigh, NC 27601-2808

The Honorable Joe Hackney
Speaker of the House
North Carolina House of Representatives
State Legislative Building, Room 2304
Raleigh, NC 27601-1096

Dear Senator Basnight and Speaker Hackney:

Pursuant to N.C.G.S. § 12-3.1, and Section 5 of Session Law 2007-490 (Regulate Mixed Martial Arts/Fees - amending N.C.G.S. § 143-655), the Alcohol Law Enforcement Division reports its intent to establish Permit Fees at the following amounts based on seating capacities as follows: for facilities with a seating capacity less than 2,000, the permit fee shall be set at \$150.00 (current fee \$100.00); for facilities with seating capacity of 2,000 to 5,000, the permit fee shall be set at \$300.00 (current fee \$200.00); and for facilities with seating capacity of over 5,000, the permit fee shall be set at \$450.00 (current fee \$300.00). The proposed fees are consistent with N.C.G.S. § 143-655(b), which states

[t]he Division may establish a fee schedule for permits issued under this Article. The fee may not exceed the following amounts:

Seating Capacity	Fee Amount
Less than 2,000	\$150.00
2,000 - 5,000	\$300.00
Over 5,000	\$450.00

The Alcohol Law Enforcement Division pursuant to Section 2 of Session Law 2007-490 (amending N.C.G.S. § 143-652.1) has "exclusive authority to approve and issue rules for the regulation of the conduct, promotion, and performances of live boxing, kickboxing, and mixed martial arts matches and exhibitions..." Pursuant to N.C.G.S. § 12-3.1, a rule adopted by an agency to establish or increase a fee shall not go into effect until the agency has consulted with

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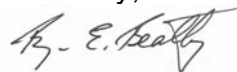
the Joint Legislative Commission of Governmental Operations. Further, the agency shall submit its request for consultation to all members of the Commission, the Commission Assistant, and the Fiscal Research Division of the General Assembly on the same date the notice of text of the rule is published. On today's date, the notice of text is being published which will amend Rule 14A NCAC 12 .0110 to become a newly numbered rule (14A NCAC 12 .0401) and which will establish the permits fees as set forth in the first paragraph of this letter.

The permit fees presently used have been in place since 1997 when boxing, toughman, and kickboxing were the only events being regulated. Other states have indicated to the Division that the addition of mixed martial arts to the list of regulated events has resulted in a need for significant increase of manpower given the popularity of the sport. With the passage of Session Law 2007-490, additional resources will be needed to regulate and enforce the rules related to professional and amateur mixed martial arts, as well as the other events. To meet the legislative mandate to issue rules for the regulation of mixed martial arts matches and exhibitions, and to regulate all of the events required to be regulated, it will be necessary to establish the fees as stated above.

Please direct any questions or communications regarding this matter to Marvin Waters, General Counsel for the Department of Crime Control and Public Safety. He can be contacted by telephone at (919) 733-2126 or by email at mwaters@nccrimecontrol.org

Thank you for your consideration of these proposed fees.

Sincerely,



Bryan E. Beatty
Secretary

BEB:mrw

cc: Mike Robertson, ALE
Roger Hutchings, ALE
Marvin Waters, CCPS
Bennie Aiken, CCPS