

Greenbook
LSC Analysis of Enacted Budget

Ohio Athletic Commission

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ATTACHMENT:

Budget Spreadsheet By Line Item

Ohio Athletic Commission

- Funding of \$653,050 for the biennium
- The Athletic Commission issued over 2,500 licenses in FY 2017

OVERVIEW

Agency Overview

The Ohio Athletic Commission (ATH) regulates boxing, mixed martial arts, professional wrestling, kickboxing, karate, and tough-person contests in an effort to protect the safety of the participants and the interests of the public. ATH carries out its mission by setting standards for licensure of individuals, granting permits, and conducting sanctioned events. Ohio has been particularly active in regulating amateur mixed martial arts (MMA) events. Overall, ATH regulated over 2,500 competitors, promoters, officials, other event personnel, and athlete agents in FY 2017.

ATH's governing authority consists of five voting members appointed by the Governor. One member must be a doctor of medicine or osteopathy and two members must be knowledgeable in boxing and mixed martial arts. Members receive a per diem in an amount fixed pursuant to state law as well as reimbursement for actual and necessary expenses incurred as part of their duties. Day-to-day operations are managed by an executive director, a full-time administrative assistant, and a full-time account clerk. The Commission receives no GRF funding; instead, its operations are entirely supported by fee revenue.

Appropriation Overview

The budget provides funding of \$326,525 in each fiscal year of the FY 2018-FY 2019 biennium for Commission operations, nearly 19.7% higher compared to actual FY 2017 spending of \$272,887. The funding is summarized in Table 1. As noted just above, funding for the Commission comes from a variety of fees. This revenue is deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90).

Fund Group	FY 2017*	FY 2018	% change	FY 2019	% change
Dedicated Purpose	\$272,887	\$326,525	19.7%	\$326,525	0.0%

*FY 2017 figures represent actual expenditures.

Fee Revenues and Fund 4K90

The Commission issues several different types of licenses, permits, and identification cards. The table below shows the current fee amounts charged. All of the Commission's licenses renew annually, except for the athlete agent license, which renews biennially. The Commission collects two national registrations – the Federal Boxing ID Card and the National Mixed Martial Arts ID Card. The former is valid for four years and the latter is valid for five years. The income from these fees is deposited in the Occupational Licensing and Regulatory Fund (Fund 4K90).

Name of License or Permit	Fee Amount
Athlete Agent Registration (Two Years)	\$500
Professional Wrestling Promoter License	\$200
Professional Wrestling Permit	\$100
Boxing, Mixed Martial Arts, Tough Person Promoter License	\$100
Boxing, Mixed Martial Arts, Tough Person Event Permit	\$50
Competitor (Boxer, Mixed Martial Arts) License	\$30
Competitor (Tough Person) Application	\$20
Nonofficials (Manager, Matchmaker, Second, Trainer) License	\$30
Officials (Judge, Referee, Timekeeper) License	\$30
Federal Identification Card for Boxers (Four Years)	\$20
National Identification Card for Mixed Martial Arts Fighters (Five years)	\$20
Replacement Card	\$10

The chart below shows the Commission's operating results between FY 2010 and FY 2017. Although ATH's expenses increased only modestly over that time, there was a significant decline in revenue between FY 2010 and FY 2016. One principal cause was the lack of any UFC-sponsored events in the state during that time. UFC events are important since the Commission collects a 5% event tax from these competitions. A second reason for the decline in revenue over the period has been the increasing number of events being held at county fairs. Because the cost of entry to an event is included in the admission to the fair, it is not subject to the 5% event tax. Also contributing to the decline has been the competition from events held at venues in other states. While Ohio was one of the first states to regulate amateur MMA, attracting promoters from other states, this advantage has faded as more states have adopted similar regulations. All of these factors have combined to reduce the revenue collected by the Commission in recent fiscal years. The revenue picture for FY 2017 was altogether different, however, with ATH collecting \$130,969 in event tax receipts from a UFC fighting event in September 2016. There is also a possibility that the UFC will host

a fighting event in the next biennium. If that happens, there will be a similar boost in event tax receipts.

Revenue and Expenditures, FY 2010 through FY 2017

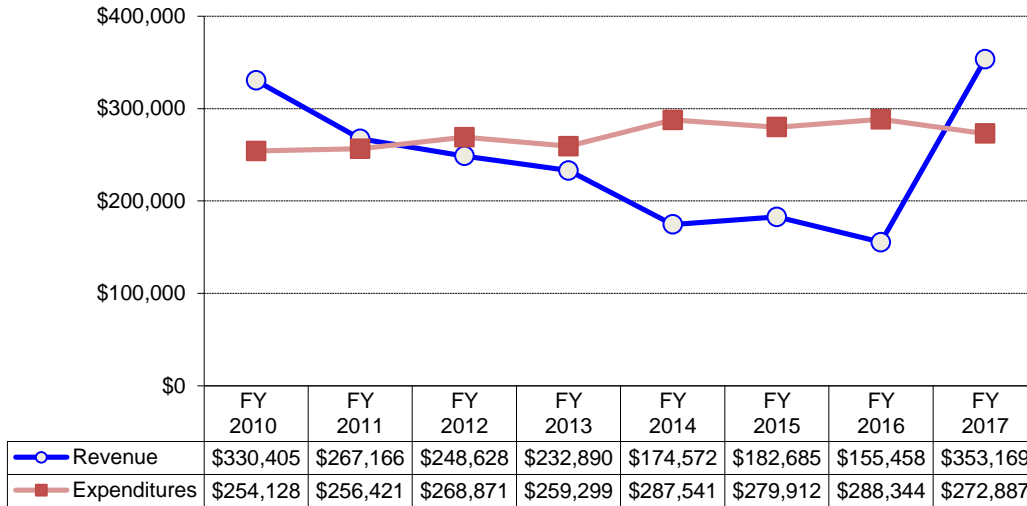


Table 3 shows the number of licenses, permits, and identification cards issued by the Commission in FY 2016 as well as the receipts from its 5% charge on event tickets.

Table 3. Agency Receipts, FY 2017		
Revenue Source	Number Paying the Fee	Total Receipts
Athlete Agent Registration (Two Years)	68	\$34,000
Professional Wrestling Promoter License	37	\$7,400
Professional Wrestling Match or Exhibition Permit	195	\$19,500
Boxing, Mixed Martial Arts, Tough Person Promoter License	25	\$2,500
Boxing, Mixed Martial Arts, Tough Person Event Permit	82	\$4,100
Competitor (Boxer and Mixed Martial Arts) License	781	\$23,430
Competitor (Tough Person) Application	52	\$1,040
Nonofficials (Manager, Matchmaker, Second, Trainer) License	777	\$23,310
Officials (Judge, Referee, Timekeeper) License	80	\$2,400
Federal Identification Card for Boxers (Four Years)	68	\$1,360
National Identification Card for Mixed Martial Arts Fighters (Five Years)	343	\$6,860
Replacement Cards	114	\$1,140
Event Assessment – 5% of ticket sales	N/A	\$224,958
Fines and miscellaneous revenue	N/A	\$1,171
TOTAL	2,622	\$353,169

ANALYSIS OF ENACTED BUDGET

ATH's operations are funded by a single line item appropriation out of the Occupational Licensing and Regulatory Fund (Fund 4K90). The table below shows the Governor's recommended funding for the Commission for the FY 2018-FY 2019 biennium.

Appropriations for the Ohio Athletic Commission				
Fund	ALI and Name		FY 2018	FY 2019
Dedicated Purpose Fund Group				
4K90	175609	Operating Expenses	\$326,525	\$326,525

Operating Expenses (175609)

Fund 4K90, line item 175609, Operating Expenses, supports all of the Commission's operating expenses. The budget provides funding of \$326,525 in both FY 2018 and FY 2019, an increase of nearly 19.7% compared to FY 2017 spending levels of almost \$273,000. Under the funding provided, the Commission will be able to maintain current operations and staffing levels of three full-time employees and five commissioners.

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FY 2018 - FY 2019 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			FY 2016	FY 2017	Appropriation FY 2018	FY 2017 to FY 2018 % Change	Appropriation FY 2019	FY 2018 to FY 2019 % Change
Report For Main Operating Appropriations Bill			Version: As Enacted					
ATH Ohio Athletic Commission								
4K90	175609	Operating Expenses	\$ 288,344	\$ 272,887	\$ 326,525	19.66%	\$ 326,525	0.00%
Dedicated Purpose Fund Group Total			\$ 288,344	\$ 272,887	\$ 326,525	19.66%	\$ 326,525	0.00%
Ohio Athletic Commission Total			\$ 288,344	\$ 272,887	\$ 326,525	19.66%	\$ 326,525	0.00%