Redbook

LBO Analysis of Executive Budget Proposal

Ohio Athletic Commission

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TABLE OF CONTENTS

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LBO Redbook

Ohio Athletic Commission

Quick look...

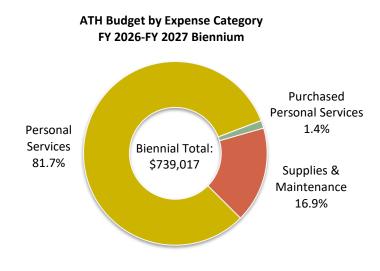
- The Ohio Athletic Commission (ATH) regulates boxing, mixed martial arts, professional wrestling, kickboxing, karate, and tough person contests, overseeing almost 1,300 active licenses in FY 2024.
- A five-member board governs the Commission. Day-to-day operations are managed by two full-time employees and one part-time employee.
- ATH was ordered to pay a \$275,000 settlement in August 2024, explaining the notable increase in estimated FY 2025 spending.
- > The Commission is fully supported by fees and receives no GRF funding.
- The executive budget recommendations total \$739,017 over the biennium: \$367,022 in FY 2026 and \$371,955 in FY 2027.
 - Uses of the budget are: 81.7% for personal services expenses and purchased personal services, 16.9% for supplies and maintenance, and 1.4% for equipment.

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced			
4K90 ALI 175609, Operating Expenses								
\$325,328	\$317,476	\$334,103	\$345,000	\$367,022	\$371,995			
% change	-2.4%	5.2%	3.3%	6.4%	1.4%			
5BW1 ALI 175610, Commission Dispositions								
\$0	\$0	\$0	\$275,000	\$0	\$0			
% change	N/A	N/A	N/A	-100.0%	N/A			
Total Funding:								
\$325,328	\$317,476	\$334,103	\$620,000	\$367,022	\$371,995			
% change	-2.4%	5.2%	85.6%	-40.8%	1.4%			

Agency overview

The Ohio Athletic Commission (ATH) regulates boxing, mixed martial arts, professional wrestling, kickboxing, karate, and tough person contests in order to protect the safety of the participants and the interests of the public. ATH sets 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 oversaw almost 1,300 active licenses in FY 2024.

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. Voting members receive a per-diem amount fixed by law as well as reimbursement for actual and necessary expenses incurred as part of their duties. There are also two nonvoting members appointed by the General Assembly. Day-to-day operations are managed by an executive director, a full-time administrative assistant, and a part-time administrative assistant. The Commission receives no GRF funding; instead, its operations are entirely supported by fee revenue.



Analysis of FY 2026-FY 2027 budget proposal

The executive recommended budget provides funding of \$367,022 in FY 2026 and \$371,995 in FY 2027 for ATH operations under Fund 4K90 line item 175609, Operating Expenses. This funding is supported by fees collected from athletes, sporting officials, promoters, agents, and others in the field of boxing, wrestling, and mixed martial arts (MMA).

Operating Expenses (ALI 175609)

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
4K90 ALI 175609,	Operating Exper	ises			
\$325,328	\$317,476	\$334,103	\$345,000	\$367,022	\$371,995
% change	-2.4%	5.2%	3.3%	6.4%	1.4%

The bulk of the funding recommended – \$604,017 (81.7%) for the biennium – will go toward payroll for the Executive Director and two administrative assistants. Of the remainder, approximately \$125,000 will go to supplies and maintenance, and \$10,000 will be used for purchased personal services.

Operating statistics

Fee structure

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. These fees are deposited in the Occupational Licensing and Regulatory Fund (Fund 4K90).

Table 1. License, Permit, and Identification Card Fees					
Name of License or Permit	Fee Amount				
Athlete Agent Registration (Two Years)	\$500				
Boxing, Mixed Martial Arts, Tough Person Event Permit	\$100				
Boxing, Mixed Martial Arts, Tough Person Promoter License	\$150				
Nonofficial (Manager, Matchmaker, Second, Trainer) License	\$30				
Competitor (Boxer, Mixed Marital Arts, Tough Person) License	\$40				
Participation in public boxing match exhibition (contestant, referee, judge, matchmaker, manager, timekeeper, trainer, or second of contestant) – Application and Renewal	\$40				
Federal Identification Card for Boxers (Four Years)	\$20				
National Identification Card for Mixed Martial Arts Fighters (Five Years)	\$20				
Officials (Judge, Referee, Timekeeper) License	\$40				
Professional Wrestling Match or Exhibition Permit	\$100				
Replacement Cards	\$10				
Professional Wrestling Promoter License	\$200				

Revenues

Table 2 shows the Commission's operating revenues and expenditures between FY 2019 and FY 2024. Typically, the bulk of revenue collected comes from the permits, registrations, and licenses listed above. Ohio was one of the first states to regulate amateur MMA, attracting promoters from other states to host events in Ohio. Over time, Ohio lost this advantage as more states adopted similar regulations. The Commission strives to host as many events as possible in Ohio by keeping fees relatively low. As a consequence, in certain fiscal years operating costs can be greater than fee income, as Table 2 illustrates. However, there is also a 5% event tax applied to gross ticket sales from major competitions.

Table 2. Revenues and Expenditures, FY 2019-FY 2024							
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	
Revenue	\$157,301	\$137,955	\$73,310	\$336,410	\$182,051	\$220,373	
Expenses	\$275,469	\$278,715	\$245,178	\$325,328	\$317,476	\$334,103	
Net	-\$118,168	-\$140,760	-\$171,868	\$11,082	-\$135,425	-\$113,730	

Table 3 provides a closer look at Commission receipts for FY 2024. It shows the number of licenses, permits, and identification cards issued by the Commission, as well as the receipts from the 5% event tax during the fiscal year.

Table 3. Commission Receipts, FY 2024					
Revenue Source	Number Paying	Receipts			
Athlete Agent Registration (Two Years)	64	\$43,440			
Boxing/Mixed Martial Arts/Tough person Event Permit	54	\$5,400			
Boxing/Mixed Martial Arts/Tough person Promoter	32	\$4,800			
Competitor (Boxer, Mixed Martial Arts) License	541	\$21,640			
Competitor (Tough person) Application	46	\$1,380			
Federal Identification Card for Boxers (Four Years)	67	\$1,340			
National Identification Card for Mixed Martial Arts Fighters (Five Years)	195	\$3,900			
Official (Judge, Referee, Timekeeper, Physician, Inspector) License	79	\$3,160			
Professional Wrestling Match Permit	160	\$16,000			
Replacement Cards	0	\$0			
Wrestling Promoter	32	\$6,400			
Event Assessment – 5% of ticket sales	N/A	\$105,840			
Fines and miscellaneous revenue	N/A	\$40			
Total	1,270	\$213,299			

Commission Dispositions (ALI 175610)

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced				
5BW1 ALI 175610, Commission Dispositions									
\$0	\$0	\$0	\$275,000	\$0	\$0				
% change	N/A	N/A	N/A	-100.0%	N/A				

Fund 5BW1 and the accompanying ALI were created by Controlling Board action in September 2024. This is a special-purpose account created to pay an Ohio Court of Claims settlement under Case No. 2017-00986Jd, *Ali-Jahmi v. the Ohio Athletic Commission*, involving the death of a boxer at an event. The appropriation was supported by a cash transfer of \$275,000 from the Emergency Purposes/Contingencies Fund (Fund 5KM0).