

Department of Planning and Budget 2015 Fiscal Impact Statement

1. Bill Number: SB790

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Carrico

3. Committee: General Laws and Technology

4. Title: Department of Professional and Occupational Regulation; boxing, martial arts, and wrestling events.

5. Summary: This bill provides that the current exemption from licensure for amateur boxing, martial arts, and wrestling exhibitions and the participants in the exhibitions does not apply to the promoters of such exhibitions.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See item 8.

Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2015	\$0	n/a
2016	\$12,500	Special
2017	\$12,500	Special
2018	\$12,500	Special
2019	\$12,500	Special
2020	\$12,500	Special
2021	\$12,500	Special

8. Fiscal Implications: This bill increases the administrative and regulatory responsibilities of the Department of Professional and Occupational Regulation (DPOR) by requiring DPOR to license promoters of amateur exhibitions involving boxing, martial arts, or wrestling. Virginia's existing licensing program is limited to professional (paid) boxing, martial arts, and wrestling with current law exempting all individuals associated with amateur exhibitions from DPOR regulation.

The additional operational and workload costs related to licensing promoters of amateur exhibitions are expected to be absorbed by current staff. The additional workload related to the new promoters includes reviewing and approving the license applications, processing fee payments, and processing surety bonds as mandated by statute.

It is estimated that approximately 25 additional promoters will apply to be licensed for amateur exhibitions each year, beginning in FY2016. The promoter application fee is

currently \$500, resulting in approximately \$12,500 additional revenue per year. In addition, existing statute requires all licensed promoters to file a bond in the amount of the total gate fee if all seats were to be sold (not to exceed \$100,000). The cost to the promoter to obtain a bond will vary depending on credit worthiness, experience, and monetary value.

These estimates are based only on requiring promoters of amateur exhibitions to be licensed. There may be additional fiscal implications if a license requirement is also extended to participants in amateur exhibitions (e.g., matchmakers, trainers, fighters) or the exhibitions themselves.

9. Specific Agency or Political Subdivisions Affected: Department of Professional and Occupational Regulation.

10. Technical Amendment Necessary: No.

11. Other Comments: HB1455 is a companion to this bill.

Date: 1/12/2015