



## **Economic Impact Analysis Virginia Department of Planning and Budget**

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### **18 VAC 120-40 – Professional Boxing and Wrestling Event Regulations Department of Professional and Occupational Regulations October 27, 2005**

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The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.H of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.H requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. The analysis presented below represents DPB's best estimate of these economic impacts.

### **Summary of the Proposed Regulation**

The Department of Professional and Occupational Regulation (DPOR) proposes to amend the Professional Boxing and Wrestling Event Regulations by separating the rules for boxing, wrestling and kickboxing into different sections, which will make the rules for each sport easier to find, and by incorporating changes to Association of Boxing Commission (ABC) regulatory guidelines as required by federal Professional Boxing Safety Act. This proposed regulatory change will also incorporate §54.1-828 as amended during the 2005 General Assembly session.

### **Estimated Economic Impact**

Currently, the Professional Boxing and Wrestling Regulations (regulation) groups rules for all types of matches together and uses wording that specifically mentions boxing when rules apply to all types of matches. The proposed regulation substitutes more general language for

specific language that might seem misleading. The words “fighting ring”, for instance, will be substituted for the words “boxing ring” in the parts of the regulation that enumerates the responsibilities of event promoters; this will serve to clarify the regulation as it is meant to cover promoters of boxing, kickboxing and wrestling events. The proposed regulation provides more clarification by separating rules for different types of matches into different regulatory sections. This change allows interested parties to more easily find the section of regulation that governs a specific type of match and also eliminates the confusion that might arise from having a “one size fits all” set of rules. It makes little sense, for instance, to have glove weights regulated in a regulatory section that applies to wrestlers. The regulated community is likely to benefit from this change as it will make the rules easier to find and interpret.

Because the federal Professional Boxing Act of 1996 requires it, the proposed regulation incorporates numerous new provisions that will assure that Virginia is in compliance with Association of Boxing Commissions (ABC) regulations. These changes encompass almost every aspect of boxing matches from how much tape can be used to wrap a boxer’s wrists (not more than one continuous roll) to who must provide the ringside stool (the event promoter) to what the measurements of a boxing ring must be (between 18 and 20 feet squared within the ropes). One of the more interesting ABC code changes will stop match seconds from literally throwing in the towel... the proposed regulation will prohibit seconds from throwing any foreign objects into the ring during a boxing match. None of these changes will be particularly onerous for the regulated community and sanctioned professional matches cannot be held in Virginia until they are implemented.

The proposed regulation goes beyond the requirements of the ABC regulations, however, in one way that raises troubling privacy concerns. ABC regulations require that, for women boxers, a “negative pregnancy test, not more than 14 days old, shall be provided to the supervising boxing commission prior to each bout”. The proposed regulation imposes further qualifications that require women boxers to take a pregnancy test, in the presence of a boxing official, directly prior to the event in which they are to participate. The event official would not necessarily be another woman and home pregnancy kits that test urine would be used. This provision will preclude event participation for women who are otherwise willing and able to box but who do not want to expose themselves to the event official in the minimal way required to obtain a urine sample. Paradoxically, the proposed regulation does not ban participation of

pregnant women in boxing events; even though this would seem to be the intent of the ABC regulations which require submission of a negative pregnancy test. The proposed regulation will allow the ringside physician to decide whether a pregnant boxer was fit to participate.

The proposed regulation will incorporate language from Code of Virginia § 54.1-828 that requires inclusion of rules for “mixed martial arts”. These rules are, according to DPOR, consistent with industry standards and are to be located in the section of the proposed regulation that covers kick-boxing events. The proposed regulation also incorporates definition changes that are a part of Code of Virginia § 54.1-828.

### **Businesses and Entities Affected**

Professional boxers, kick boxers and wrestlers as well as licensed promoters, seconds and cutmen and ringside physicians will be affected by the proposed regulation. In all this regulated community comprises 1,100 individuals.

### **Localities Particularly Affected**

All localities in the Commonwealth will be affected by the proposed regulation.

### **Projected Impact on Employment**

The proposed regulation is not likely to have an impact on employment in Virginia.

### **Effects on the Use and Value of Private Property**

The proposed regulation is likely to forestall the negative impact that ABC noncompliance would likely have on the owners of venues capable of hosting sanctioned boxing matches. These matches cannot happen in Virginia if DPOR does not insure that the Professional Boxing and Wrestling Event Regulations are compliant with ABC regulations.

### **Small Businesses: Costs and Other Effects**

The proposed regulatory changes should not create any new bookkeeping costs for small businesses. Compliance with ABC requirements may add some small costs for event officials who will have to spend a small amount of extra time on new tasks, like monitoring pregnancy tests, that have not historically been part of their job.

**Small Businesses: Alternative Method that Minimizes Adverse Impact**

Because the proposed regulation mostly implements changes required by either ABC regulations or the Code of Virginia, DPOR is effectively unable to explore alternative methods that minimize adverse impact for regulated small businesses.