

2021-2022

ANNUAL REPORT



FLORIDA ATHLETIC COMMISSION

GOVERNOR
Ron DeSantis

SECRETARY
Melanie S. Griffin

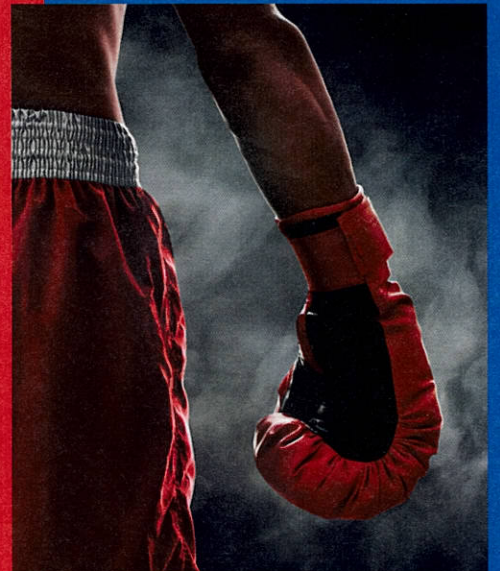


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Message from the Secretary

Dear Fellow Floridians:

I am happy to report that Fiscal Year 2021-22 was a successful year for the Florida Athletic Commission. Revenue and events increased this fiscal year. While health and safety remain the top priority, we continue to focus on attracting new business, increasing revenue and decreasing unnecessary regulation. To that end, the Commission continued efforts to make Florida a more attractive place to do business, including channeling applicants to our online license portal and flexibility in hosting events.

The Commission sanctioned 131 professional events during the fiscal year, including 60 boxing events and 71 mixed martial arts events. This number of events has increased in comparison to the prior fiscal year. According to the Association of Boxing Commissions and Combative Sports, Florida was the most active commission in the country for the 2021 calendar year. Additional staff were hired to meet the increasing demand for events.

The increase in the number of events created a corresponding increase in the number of licensees. The Commission issued 3,129 licenses. I am pleased to report the Commission staff has done a spectacular job and I thank them for their hard work.

Amateur combat sports also remain popular in Florida. The Commission is responsible for periodic compliance checks of Amateur Sanctioning Organizations to ensure enforcement of approved health and safety standards and supervision of matches. During Fiscal Year 2021-22, there were 146 amateur events and the Division of Regulation conducted 39 compliance checks on behalf of the Commission.

It is truly an honor to continue improving the combat sports industry in Florida. We have had great success over the past year, and I look forward to building on that and making this year even better!

Sincerely,


Melanie S. Griffin
Secretary

Mission

License efficiently. Regulate fairly.

Our Vision

We will make DBPR and Florida great places to do business. To that end, we will invest in our employees, treat our licensees as valued customers and partners and uphold laws that protect the public and Florida's competitive marketplace.

Our Values

Accountability

We hold ourselves to the highest standards on behalf of our customers and the public.

Innovation

We foster an environment that encourages everyone to seek ways to make DBPR and Florida great places to do business.

Integrity

We are fair and honest in all we do so our employees and customers trust our decisions.

Ownership

We embrace our responsibility to serve and see things through to resolution.

Responsiveness

We are approachable and empathetic; we provide timely, accurate and consistent information; and we offer alternative solutions when available.

Respect

We treat our employees and customers with fairness and courtesy and appreciate each person's viewpoint.

Teamwork

We understand, rely upon and cultivate the talents of our colleagues and customers to help us reach our goals.



Executive Summary

This report was prepared pursuant to Section 548.005, Florida Statutes. It details the Commission's long-range planning and monitoring process and provides statistics regarding the professions it regulates. This report also includes estimates of the Commission's revenues, expenditures, cash balances and performance statistics for the next five years.

The Commission licenses and regulates professional boxing, kickboxing and mixed martial arts, and approves amateur boxing, kickboxing and mixed martial arts sanctioning organizations. Safety is the Commission's top priority. It ensures that all matches are conducted in accordance with provisions of state laws and rules. It also makes certain that health and safety requirements are met and that matches are competitive and physically safe for participants. During Fiscal Year 2021-22, the Commission continued the annual review of rules to ensure the highest levels of safety and to decrease overly burdensome regulation.

Revenue increased over previous years, primarily due to increased tax revenue resulting from the increase in number of events, including major televised events. The Commission sanctioned 131 professional events, which indicates that activity in Florida has increased significantly. The Commission issued 3,129 licenses. There were 146 amateur events in Florida and the Division of Regulation conducted 39 compliance checks on behalf of the Commission.

The Commission continued to achieve the goals established during the previous year. Commission staff continued to conduct orientations for new promoters. In addition, Commission staff continued to conduct post-event audits to ensure the proper licensure of all individuals involved, proper collection of revenue, and verification that medical suspensions were properly reported in the Association of Boxing Commissions and Combative Sports national database.

The Commission remains committed to its mission to protect the health and safety of participants, to improve regulatory processes, and to maintain the integrity of combat sports in Florida.

Florida Athletic Commission

The Florida Athletic Commission regulates professional boxing, kickboxing and mixed martial arts, and approves amateur sanctioning organizations pursuant to Chapter 548, Florida Statutes, and Chapter 61K1, Florida Administrative Code. The Commission’s mission is to provide customer-focused services related to the combat sports industry in Florida in order to protect the health and safety of participants and to maintain its integrity.

In Fiscal Year 2021-22, the Commission was budgeted \$1,428,170¹ and staffed with five full-time employees: Executive Director, Assistant Executive Director, Government Analyst II, Government Analyst I and Administrative Assistant. In addition, part-time employees are utilized throughout the state to ensure the health, safety and integrity of Commission-sanctioned matches.

Amateur combat sports continue to be popular in Florida. Amateur sanctioning organizations are licensed to monitor and oversee amateur activities. The Commission is responsible for periodic compliance checks of the approved amateur sanctioning organizations to ensure enforcement of approved health and safety standards and supervision of matches. The Division of Regulation conducts compliance checks on behalf of the Commission. During Fiscal Year 2021-22, there were 146 amateur events and the Division of Regulation conducted 39 compliance checks.

The Commission collects revenue via license fees, event permit fees, fines, and taxation on gross receipts associated with live events. The number of licenses issued during Fiscal Year 2021-22, and the number of boxing, kickboxing and mixed marital arts events over the last five years are depicted below.

License Type	Total
Participant	1,104
Second	1,150
Trainer	494
Manager	80
Promoter	50
Matchmaker	46
Judge	84
Referee	33
Amateur Sanctioning Organization	41
Ringside Physician	47
Total Licenses	3,129

Professional Events	2017-18	2018-19	2019-20	2020-21	2021-22
Boxing	29	31	22	66	60
Kickboxing	0	1	2	3	0
Mixed Martial Arts	27	27	25	31	71
Total Events	56	59	49	100	131

¹ Includes \$984,495 from the Professional Regulation Trust Fund and \$443,675 in General Revenue.

Long-Range Policy Planning and Monitoring Overview

Section 548.005, Florida Statutes, requires the Commission and Department, where appropriate, to develop and implement a long-range policy planning and monitoring process, including estimates of revenues, expenditures, cash balance and performance statistics for each profession. The period covered shall not be less than five years. The Department is required to monitor compliance with the approved long-range plan and provide concise management reports to the Commission quarterly. Detailed copies of the financial management reports and five-year projections are provided herein.

As part of its long range-plan, the Department shall evaluate:

- Whether the Commission is operating efficiently and effectively, and whether there is need to assist the Commission in ensuring cost-effective regulation.
- How and why combat sports are regulated.
- Whether there is a need to continue regulation and to what degree.
- Whether licensee and consumer protection is adequate and how it may be improved.
- Whether unlicensed activity is adequately enforced.

Efficient and Effective Operations

Section 548.005 (2) (a), Florida Statutes, requires the Department to evaluate whether the Commission is operating efficiently and effectively.

The Florida Athletic Commission regulates 10 professional license types, including amateur boxing, kickboxing and mixed martial arts sanctioning organizations. The Commission collects revenue via license fees, event permit fees, fines, and taxation on gross receipts associated with live events.

The Commission continued to achieve the goals established during the previous year, which include:

- Commission staff conducted orientations with new promoters. This included explaining health and safety regulations; staffing and officials' needs; and ring and cage set-up requirements. In addition, Commission staff strived to improve the service provided to promoters by conducting a pre-event meeting to address pending issues, as well as a post-event meeting to address the overall event outcome.
- Commission staff conducted post-event audits to ensure the individuals involved were properly licensed; that all medical records were collected; and that medical suspensions were properly processed.
- Investigators received training to ensure they are up to date on the latest safety standards. Training makes Florida's investigators among the most knowledgeable in the industry.
- Commission staff performed timely audits of each post-event tax report filed with the Commission to ensure the proper collection of revenue.

Regulation and Consumer Protection

Section 548.005 (2) (b)-(d), Florida Statutes, requires the Department to evaluate how and why combat sports are regulated; whether there is a need to continue regulation and to what degree; and whether consumer protection is adequate and how it may be improved.

Section 11.62 (2), Florida Statutes, provides that the intent of the Florida Legislature is that no profession or occupation be subject to regulation by the state unless the regulation is necessary to protect the public health, safety or welfare from significant and discernable harm or damage, and that the police power of the state be exercised only to the extent necessary for that purpose. The statute also provides that no profession or occupation be regulated by the state in a manner that unnecessarily restricts entry into the practice of the profession or occupation or adversely affects the availability of the professional or occupational services to the public.

Department regulatory activities are designed to protect the public health, safety and welfare. Regulatory oversight is appropriate to enforce the specific qualifications for each license type, to accept and investigate complaints against licensees, and to provide support to the Commission in rulemaking and disciplinary proceedings. The Department is continuously working to improve customer service and to reduce regulatory barriers while maintaining a high standard of consumer protection.

The Commission works with the Department's Division of Regulation and Office of General Counsel to provide complaint intake, investigation and prosecution of violations of Chapter 548, Florida Statutes. To improve customer service and accountability, the Commission conducted rule workshops to evaluate Rule Chapter 61K1, Florida Administrative Code, in order to obtain input from licensees and to conduct rule review to address the continually evolving national standards of combat sports.

Unlicensed Activity Program

Section 548.005 (2) (e), Florida Statutes, requires the Department to evaluate whether unlicensed activity is adequately enforced. With a duty to protect the health, safety and welfare of Florida citizens and visitors, the Department places great emphasis on unlicensed activity through proactive efforts and investigations.

Officials assigned by the Commission ensure the integrity of sanctioned professional events. The Commission is required by Section 548.017, Florida Statutes, to ensure that all referees, judges, and other officials are Florida-licensed. The Florida Administrative Code sets forth licensing requirements for these officials and specifically notes that no person may act as a referee (61K1-3.012), judge (61K1-3.008) or ringside physician (61K1-3.004) without first obtaining the appropriate license. A promoter, matchmaker, manager, participant, second and trainer must be licensed as well.

Commission office staff, inspectors, and event coordinators utilize the following processes to curtail unlicensed activity:

- Pre-event audit of Commission records to ensure each referee, judge, ringside physician, promoter, matchmaker and manager is properly licensed. This includes verification a ringside physician holds an active medical license that is unencumbered and in good standing.
- Post-event audit of Commission records to ensure each participant, second and trainer was properly licensed prior to the event or submitted a proper license application at the event.
- During professional events, Commission inspectors utilize checklists and wristbands to ensure all individuals in and around a ring, cage and dressing room are licensed.

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
FLORIDA ATHLETIC COMMISSION
OPERATING ACCOUNT
ACTUAL AND PROJECTED REVENUES, EXPENSES
AND CHANGES IN ACCOUNT BALANCE
FISCAL YEARS ENDING JUNE 30, 2018 THROUGH JUNE 30, 2027

	Actual					Projected						
	JUNE 30 2018	JUNE 30 2019	JUNE 30 2020	JUNE 30 2021	JUNE 30 2022	JUNE 30 2022	JUNE 30 2023	JUNE 30 2024	JUNE 30 2025	JUNE 30 2026	JUNE 30 2027	
REVENUES												
Fees and Charges	\$ 80,860	\$ 111,945	\$ 114,405	\$ 216,385	\$ 246,790	\$ 154,057	\$ 154,057	\$ 154,057	\$ 154,057	\$ 154,057	\$ 154,057	
Licenses	63,560	76,990	77,865	119,195	141,445	95,811	95,811	95,811	95,811	95,811	95,811	
Taxes Post Event	151,453	273,975	349,709	595,292	1,377,063	549,496	549,496	549,496	549,496	549,496	549,496	
Fines	337	5,343	4,717	13,911	11,069	7,095	7,095	7,095	7,095	7,095	7,095	
Investment Earnings	11	654	1,654	855	394	2,790	4,063	511	653	763		
Refund Revenue	2,509	115	137	5	-	-	-	-	-	-	-	
Unassigned	39,790	15,882	4,927	(41,629)	299	-	-	-	-	-	-	
Other Revenues	15,350	7,379	12,290	65,547	21,580	-	-	-	-	-	-	
Total Revenues	353,870	482,183	565,705	969,530	1,798,759	809,249	814,411	810,542	806,970	807,112	807,222	
EXPENSES												
Commission Office	555,236	611,326	596,268	745,953	939,531	939,531	939,531	939,531	939,531	939,531	939,531	
Refunds	17,493	22,089	4,995	3,951	5,947	-	-	-	-	-	-	
Service Charge to General Revenue	26,252	38,827	46,628	59,285	161,318	64,740	64,843	64,538	64,569	64,578	64,578	
Attorney General	10,904	13,572	12,875	13,085	21,959	14,401	14,401	14,401	14,401	14,401	14,401	
Investigations	37,784	55,021	23,181	22,829	75,944	42,932	42,932	42,932	42,932	42,932	42,932	
Call Center	2,173	2,462	1,729	1,631	802	1,759	1,759	1,759	1,759	1,759	1,759	
Central Intake	17,003	10,994	214	1,422	1,553	31,185	6,237	6,237	6,237	6,237	6,237	
Bank Charges	787	3,458	3,951	6,788	7,152	4,423	4,423	4,423	4,423	4,423	4,423	
Department Administrative Costs												
Administration	97,948	55,561	42,755	55,191	80,777	66,466	66,466	66,466	66,466	66,466	66,466	
General Counsel/Legal	8,020	6,947	5,784	5,689	11,476	7,583	7,583	7,583	7,583	7,583	7,583	
Information Technology	29,390	38,815	17,439	11,615	18,308	23,113	23,113	23,113	23,113	23,113	23,113	
Total Expenses	802,588	899,071	755,418	927,428	1,324,667	1,196,133	1,171,598	1,171,289	1,171,003	1,171,014	1,171,023	
Excess (Deficiency) of Revenues Over (Under) Expenses	(448,718)	(366,888)	(189,713)	42,102	474,092	(386,884)	(357,187)	(360,747)	(364,033)	(363,902)	(363,801)	
TRANSFERS												
Cash Bonds to Promoters												
Total Transfers												
CHANGE IN ACCOUNT BALANCE	(448,718)	(366,888)	(189,713)	42,102	474,092	(386,884)	(357,187)	(360,747)	(364,033)	(363,902)	(363,801)	
ACCOUNT BALANCE, Beginning of Period	146,038	(51,789)	25,007	278,969	321,070	795,161	408,277	51,090	65,343	76,310	87,408	
Transfer in from General Revenue	250,000	443,675	443,675	-	-	-	-	375,000	375,000	375,000	375,000	
Transfer in from General Revenue Non Recurring												
ACCOUNT BALANCE, End of Period	\$ (51,789)	\$ 25,007	\$ 278,969	\$ 321,070	\$ 795,161	\$ 408,277	\$ 51,090	\$ 65,343	\$ 76,310	\$ 87,408	\$ 98,607	