

Halsey Beshears, Secretary

Ron DeSantis, Governor

December 21, 2020

The Honorable Ron DeSantis
Governor, State of Florida
The Capitol
404 South Monroe Street
Tallahassee, FL 32399-1100

Dear Governor DeSantis:

Please find attached a copy of the Department's Annual Report for the Florida State Boxing Commission for Fiscal Year 2019-2020 pursuant to section 548.005, Florida Statutes.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Halsey Beshears
Secretary

Halsey Beshears, Secretary

Ron DeSantis, Governor

December 21, 2020

The Honorable Wilton Simpson
President, Florida Senate
409 The Capitol
404 South Monroe Street
Tallahassee, FL 32399-1100

Dear President Simpson:

Please find attached a copy of the Department's Annual Report for the Florida State Boxing Commission for Fiscal Year 2019-2020 pursuant to section 548.005, Florida Statutes.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Halsey Beshears
Secretary

Halsey Beshears, Secretary

Ron DeSantis, Governor

December 21, 2020

The Honorable Chris Sprowls
Speaker, Florida House of Representatives
420 The Capitol
402 South Monroe Street
Tallahassee, FL 32399-1300

Dear Speaker Sprowls:

Please find attached a copy of the Department's Annual Report for the Florida State Boxing Commission for Fiscal Year 2019-2020 pursuant to section 548.005, Florida Statutes.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Halsey Beshears
Secretary

FLORIDA STATE BOXING COMMISSION

Annual Report

2019 - 2020 Fiscal Year



Ron DeSantis, Governor

Halsey Beshears, Secretary



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Message from the Secretary

Dear Fellow Floridians:

I am happy to report that Fiscal Year 2019-20 was a successful year for the Florida State Boxing Commission. Revenue and events were relatively consistent throughout the 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 implementation of online license applications and the elimination of licensure requirements for ring announcers and timekeepers.

The Commission sanctioned 49 professional events during the fiscal year, including 25 boxing events, 22 mixed martial arts events, and 2 kickboxing events. This slight decrease in the number of events was directly attributable to the COVID-19 pandemic. However, Florida was the only state in the country that remained open for business during the pandemic. These events promote Florida as a destination for future professional events and stimulate local economies.

The decrease in the number of events created a corresponding decrease in the number of licensees. The Commission issued 1,437 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 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 2019-20, there were 101 amateur events and the Division of Regulation conducted 20 compliance checks on behalf of the Commission, in addition to the extra precautions implemented for COVID-19.

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,



Halsey Beshears
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 without the constraints of fear of change or long-held practices.

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

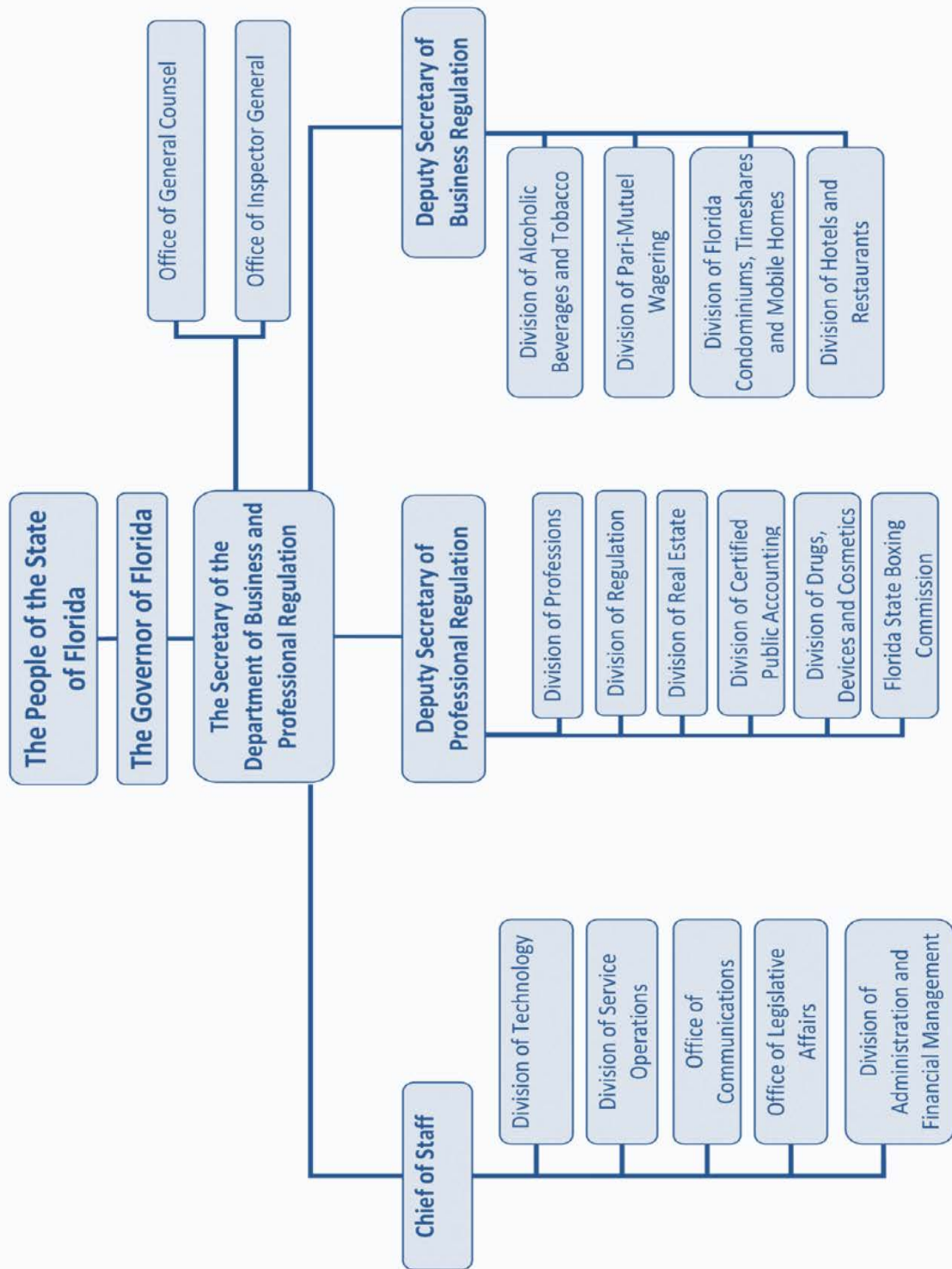
We are approachable and empathetic; we provide timely, accurate and consistent information; and we offer alternative solutions when available.

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 Florida State Boxing 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 2019-20, the Commission continued the annual review of rules to ensure the highest levels of safety and to decrease overly burdensome regulation. To that end, the Commission no longer requires licensure for timekeepers or announcers effective July 1, 2020.

Revenue increased over previous years, primarily due to increased tax revenue resulting from major televised events. The Commission sanctioned 49 professional events, which indicates that activity in Florida remains strong. The Commission issued 1,437 licenses, a decrease over Fiscal Year 2018-19 due to a decrease in the number of events as promotion of events during the second half of the year was impacted by COVID-19. There were 101 amateur events in Florida and the Division of Regulation conducted 20 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 State Boxing Commission

The Florida State Boxing Commission regulates professional boxing, kickboxing and mixed martial arts, and approves amateur sanctioning organizations pursuant to Chapter 548, Florida Statutes, and Rule 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 2019-20, the Commission was budgeted \$1,085,103¹ and staffed with four full-time employees: Executive Director, Assistant Executive Director, Government Analyst 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 2019-20, there were 101 amateur events and the Division of Regulation conducted 20 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 2019-20, and the number of boxing, kickboxing and mixed marital arts events over the last five years are depicted below.

| License Type | Total |
|----------------------------------|--------------|
| Participant | 431 |
| Second | 434 |
| Trainer | 271 |
| Manager | 48 |
| Promoter | 33 |
| Matchmaker | 30 |
| Judge | 66 |
| Referee | 32 |
| Announcer | 17 |
| Timekeeper | 7 |
| Amateur Sanctioning Organization | 33 |
| Ringside Physician | 35 |
| Total Licenses | 1,437 |

| Professional Events | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---------------------|-----------|-----------|-----------|-----------|-----------|
| Boxing | 31 | 31 | 30 | 31 | 25 |
| Kickboxing | 3 | 2 | 0 | 1 | 2 |
| Mixed Martial Arts | 24 | 20 | 26 | 27 | 22 |
| Total Events | 58 | 53 | 56 | 59 | 49 |

¹ Includes \$641,428 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 State Boxing Commission regulates 12 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.

During Fiscal Year 2019-20, the Commission amended the administrative rules in recognition in an effort to eliminate unnecessary licensing requirements for ring announcers and timekeepers.

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 Florida State Boxing 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 a rule review to identify burdensome regulation.

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), ring-side physician (61K1-3.004), or timekeeper (61K1-3.010) without first obtaining the appropriate license. A promoter, matchmaker, manager, participant, second, trainer, and announcer 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 a referee, judge, ring-side physician, timekeeper, promoter, matchmaker, and manager is properly licensed. This includes verification a ring-side physician holds a clear and active medical license.
- Post-event audit of Commission records to ensure a participant, second, trainer, and announcer 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 STATE BOXING COMMISSION
OPERATING ACCOUNT
ACTUAL AND PROJECTED REVENUES, EXPENSES
AND CHANGES IN ACCOUNT BALANCE
FISCAL YEARS ENDING JUNE 30, 2016 THROUGH JUNE 30, 2025

| | Actual | | | | | Projected | | | | |
|--|------------------|-------------------|--------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | JUNE 30 2016 | JUNE 30 2017 | JUNE 30 2018 | JUNE 30 2019 | JUNE 30 2020 | JUNE 30 2021 | JUNE 30 2022 | JUNE 30 2023 | JUNE 30 2024 | JUNE 30 2025 |
| REVENUES | | | | | | | | | | |
| Fees and Charges | \$ 100,313 | \$ 110,284 | \$ 80,860 | \$ 111,845 | \$ 114,405 | \$ 111,845 | \$ 111,845 | \$ 111,845 | \$ 111,845 | \$ 111,845 |
| Licenses | 78,540 | 65,920 | 63,560 | 76,990 | 77,865 | 75,990 | 75,990 | 75,990 | 75,990 | 75,990 |
| Taxes Post Event | 342,735 | 79,574 | 151,453 | 273,975 | 349,709 | 273,975 | 273,975 | 273,975 | 273,975 | 273,975 |
| Fines | 3,791 | 12,979 | 337 | 5,343 | 4,717 | 5,343 | 5,343 | 5,343 | 5,343 | 5,343 |
| Investment Earnings | 548 | 1,157 | 11 | 654 | 1,654 | 5,579 | 3,315 | 2,508 | 2,187 | 2,359 |
| Refund Revenue | 5,710 | 905 | 2,509 | 115 | 137 | | | | | |
| Unassigned | 20,584 | (888) | 39,790 | 15,882 | 4,927 | | | | | |
| Other Revenues | 32,930 | 55,418 | 15,350 | 7,379 | 12,290 | | | | | |
| Total Revenues | 585,149 | 325,348 | 353,870 | 492,183 | 565,705 | 472,732 | 470,467 | 469,661 | 469,340 | 469,512 |
| EXPENSES | | | | | | | | | | |
| Commission Office | | | | | | | | | | |
| Commission Administrative Office | 577,703 | 555,184 | 555,236 | 611,326 | 596,268 | 611,326 | 611,326 | 611,326 | 611,326 | 611,326 |
| Refunds | 5,610 | 3,290 | 17,493 | 22,089 | 4,595 | | | | | |
| Service Charge to General Revenue | 47,078 | 24,225 | 26,252 | 38,827 | 46,628 | 37,819 | 37,637 | 37,573 | 37,547 | 37,561 |
| Attorney General | 36,304 | 20,390 | 10,504 | 13,572 | 12,875 | 13,572 | 13,572 | 13,572 | 13,572 | 13,572 |
| Investigations | 48,075 | 21,483 | 37,784 | 55,021 | 23,181 | 55,021 | 55,021 | 55,021 | 55,021 | 55,021 |
| Call Center | 2,409 | 2,243 | 2,173 | 2,462 | 1,729 | 2,462 | 2,462 | 2,462 | 2,462 | 2,462 |
| Central Intake | 15,456 | 17,498 | 17,003 | 10,994 | 214 | 10,994 | 10,994 | 10,994 | 10,994 | 10,994 |
| Bank Charges | 483 | 454 | 787 | 3,458 | 3,951 | 3,458 | 3,458 | 3,458 | 3,458 | 3,458 |
| Department Administrative Costs | | | | | | | | | | |
| Administration | 41,818 | 34,993 | 97,948 | 55,561 | 42,755 | 55,561 | 55,561 | 55,561 | 55,561 | 55,561 |
| General Counsel/Legal | 7,079 | 5,862 | 8,020 | 6,947 | 5,784 | 6,947 | 6,947 | 6,947 | 6,947 | 6,947 |
| Information Technology | 28,104 | 30,140 | 29,390 | 38,815 | 17,439 | 38,815 | 38,815 | 38,815 | 38,815 | 38,815 |
| Total Expenses | 810,119 | 715,762 | 802,588 | 859,071 | 755,418 | 835,973 | 835,792 | 835,728 | 835,702 | 835,716 |
| Excess (Deficiency) of Revenues Over (Under) Expenses | (224,970) | (390,414) | (448,718) | (366,888) | (189,713) | (363,241) | (365,325) | (366,067) | (365,362) | (366,204) |
| TRANSFERS | | | | | | | | | | |
| Cash Bonds to Promoters | | | | | | | | | | |
| Total Transfers | | | | | | | | | | |
| CHANGE IN ACCOUNT BALANCE | (224,970) | (390,414) | (448,718) | (366,888) | (189,713) | (363,241) | (365,325) | (366,067) | (365,362) | (366,204) |
| ACCOUNT BALANCE, Beginning of Period | (69,232) | 32,325 | 146,938 | (51,780) | 25,007 | 278,969 | 165,728 | 125,403 | 109,336 | 117,974 |
| Transfer in from General Revenue | 326,527 | 326,527 | 250,000 | 443,675 | 443,675 | 250,000 | 325,000 | 350,000 | 375,000 | 400,000 |
| Transfer in from General Revenue Non Recurring | 178,500 | 178,500 | | | 25,007 | | | | | |
| ACCOUNT BALANCE, End of Period | \$ 32,325 | \$ 146,938 | \$ (51,780) | \$ 25,007 | \$ 278,969 | \$ 165,728 | \$ 125,403 | \$ 109,336 | \$ 117,974 | \$ 151,770 |