

Ohio Athletic Commission

- Executive budget recommends agency be moved to GRF from GSF Fund 4K9
- FY2000 deficit of \$121,821

OVERVIEW

The Ohio Athletic Commission was created by Am. Sub. SB 240 of the 121st General Assembly. The purpose of the commission, which replaced the State Boxing Commission, is to regulate boxing, wrestling, kickboxing, karate, and tough man contests in the state in an effort to protect the safety of the participants and the interests of the public. The agency carries out its mission by setting standards for licensure of individuals, granting permits, and conducting events sanctioned by the Commission.

During the FY1998/FY1999 biennium the Commission was moved from the General Revenue Fund to the Occupational Licensing Board Fund, Fund 4K9. Revenues from licensing fees generated by the 22 occupational licensing boards are deposited into this fund and any revenues in excess of expenditures are held in this fund for future use by the board. Each board in the 4K9 Fund should be financially self-sufficient. In FY2000, the Ohio Athletic Commission had a deficit of \$121,821 in the 4K9 Fund. The Governor's budget recommends that this agency be transferred back to the General Revenue Fund.

According to figures provided by the Commission, 387 people were licensed in FY2000. The Commission renews its licenses annually. Revenues and expenditures for FY2000 were \$6,190 and \$128,011 respectively. Thus, the Commission had a deficit of \$121,821.

Effective March 22, 2001, the Athletic Commission will begin administering H.B. 107 of the 123rd General Assembly. This bill requires the Commission to license and regulate athlete agents. The Governor's budget creates the Athlete Agents Registration Fund in which registration and renewal fees will be deposited. However, the Governor's budget does not include any appropriation authority for the Commission to spend from this fund.

ADDITIONAL FACTS AND FIGURES

Ohio Athletic Commission Staffing Levels						
Program Series/Division	1998	1999	2000	2001	Estimated	
					2002	2003
Board Members	5	5	5	5	5	5
Administrative Staff	1	1	1	1	1	1
Investigators	0	0	0	0	0	0
Totals	6	6	6	6	6	6

The Board also employs one part time secretary.

Number of Licensees and Current License Fees

License Type	FY1999	FY2000	License Fees
Judge	39	45	\$10
Referee	16	19	\$10
Timekeeper	15	13	\$10
Manager	17	12	\$10
Trainer	34	32	\$10
Matchmaker	3	8	\$10
Second	99	113	\$10
Promoter	37	36	\$50/\$100
Boxer	103	109	\$10

ANALYSIS OF EXECUTIVE PROPOSAL

Ohio Athletic Commission

Purpose Regulates boxing, wrestling, kickboxing, karate, and tough man contests in the state.

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	175-321	Operating Expenses	\$140,088	\$144,343
Total funding: Ohio Athletic Commission			\$140,088	\$144,343

Ohio Athletic Commission

Program Description: In accordance with Chapter 3773 of the Ohio Revised Code, the Ohio Athletic Commission regulates boxing, wrestling, kickboxing, karate, and tough man contests within the state in an effort to protect the safety of the participants and the interests of the public.

Funding Source: GRF

Line Items: 175-321 Operating Expenses

Implication of the Executive Recommendation: The executive recommendation will allow this agency to maintain its current level of service. The Executive has recommended an appropriation of \$140,088 in FY2002, an increase of 1.6 percent over FY2001 and \$144,343 in FY2003, or 3.0 percent over FY2002.

PERMANENT AND TEMPORARY LAW

This section describes permanent and temporary law provisions contained in the executive budget that will affect the department's activities and spending decisions during the next biennium.

Permanent Law Provisions

Move Operations from Occupational Licensing and Regulatory Fund 4K9 to GRF (ORC section 3773.43 and 3773.56)

During the FY1998/FY1999 budget cycle, the Commission's operations were moved from GRF to the Occupational Licensing and Regulatory Fund (4K9). Revenue from the occupational licensing boards is placed in the 4K9 fund and then reallocated to each board. Each board must raise enough revenue through its license fees to cover its expenses. All revenues in excess of expenditures remain in Fund 4K9 for future use by the board.

The Occupational Licensing and Regulatory Fund was created for use by the boards that license individuals. While the Ohio Athletic Commission does license some individuals, the majority of its revenue comes from taxes on athletic events.

In FY2000, the Ohio Athletic Commission had a deficit of \$121,821 in the 4K9 Fund. By moving operations to GRF, any deficit created by the Commission will be subsidized by the General Revenue Fund instead of fees by the licensees of the other occupational licensing boards.

Create Fund for Registration of Athlete Agents (ORC Section 4771.22)

This section creates in the state treasury the Athlete Agents Registration Fund. The fund will consist of registration and renewal fees collected by the Ohio Athletic Commission from athlete agents and will be used to administer and enforce the law concerning athlete agents. H.B. 107 of the 123rd General Assembly (effective March 22, 2001) requires the Commission to license and regulate athlete agents.

REQUESTS NOT FUNDED

Ohio Athletic Commission						
Fund Line Item	FY 2002 Requested	FY 2002 Recommended	Difference	FY 2003 Requested	FY 2003 Recommended	Difference
GRF 175-321	\$146,941	\$140,088	(\$6,853)	\$154,244	\$144,343	(\$9,901)

The Governor's recommendation treated the Athletic Commission as a GRF agency and projected payroll to be lower than the amounts requested. These are the reasons for the difference between the requested funds and the recommended funds.

LSC Budget Spreadsheet by Line Item, FY 2002 - FY 2003

<i>Fund ALI ALI Title</i>	<i>Revised Estimated 2001</i>	<i>As Introduced 2002</i>	<i>House Sub Bill 2002</i>	<i>% Change Est. 2001 to House 2002</i>	<i>As Introduced 2003</i>	<i>House Sub Bill 2003</i>	<i>% Change House 2002 to House 2003</i>
<i>ATH Ohio Athletic Commission</i>							
GRF 175-321 Operating Expenses	\$0	\$ 140,088	\$ 0	N/A	\$ 144,343	\$ 0	N/A
General Revenue Fund Total	\$ 0	\$ 140,088	\$ 0	N/A	\$ 144,343	\$ 0	N/A
4K9 175-609 Operating Expenses	\$137,946	\$ 0	\$ 140,088	1.6%	\$ 0	\$ 144,343	3.0%
General Services Fund Group Total	\$ 137,946	\$ 0	\$ 140,088	1.6%	\$ 0	\$ 144,343	3.0%
<i>Total All Budget Fund Groups</i>	\$ 137,946	\$ 140,088	\$ 140,088	1.6%	\$ 144,343	\$ 144,343	3.0%

General Revenue Fund

GRF 175-321 Operating Expenses

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$0	\$0	\$0	\$0	\$140,088	\$144,343
	N/A	N/A	N/A	N/A	3.0%

Source: GRF

Legal Basis: Originally established by Am. Sub. S.B. 240 of the 121st G.A.

Purpose: Funds in this line item are for general operating expenses, including payroll, supplies, and equipment for the Ohio Athletic Commission. The Commission licenses and regulates boxing, wrestling, kick boxing, karate, and tough man competitions in the state. Effective FY1998, this line was folded into 175-609, Operating, in Fund 4K9. The Governor's budget has recommended the agency be funded through this line item for FY2002/2003.

General Services Fund Group

4K9 175-609 Operating Expenses

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$134,002	\$130,616	\$128,011	\$137,946	\$0	\$0
	-2.5%	-2.0%	7.8%	-100.0%	N/A

Source: GSF: Revenue received by the occupational licensing boards is deposited into Fund 4K9

Legal Basis: Originally established by Am. Sub. H.B. 215 of the 122nd G.A.

Purpose: Funds in this line item are used for general operating expenses, including payroll, supplies, and equipment for the Ohio Athletic Commission. The Governor's budget recommends the Athletic Commission be funded through line item 175-321 in FY2002/FY2003.

As Introduced*

In House Finance and Appropriations

Permanent Law Changes

Subject: Ohio Athletic Commission Fees and Receipts Deposited in the General Revenue F
sections: 3773.43, 3773.56

Transfers operating expenses of the Athletic Commission from the Occupational Licensing and Regulatory Fund 4K9 to the General Revenue Fund. Fund 4K9 was created for use by the occupational boards. Each board is expected to raise enough revenue through its fees to cover its expenses. In FY2000, the Ohio Athletic Commission had a deficit of \$121,821 in Fund 4K9. By moving operations to GRF, any deficit of the Athletic Commission will be subsidized by the General Revenue Fund instead of fees by the licensees of other occupational licensing boards.

No provision.

As Introduced*

In House Finance and Appropriations

Permanent Law Changes**Subject: Tax on Professional Wrestling****sections: 3773.54, 3773.55, 3773.56**

No provision.

Requires a 5% tax on professional wrestling events in the state of Ohio, to be paid to the Athletic Commission. This new tax and the existing 5% tax on public boxing will be levied to provide revenue for the General Revenue Fund. The bill also gives the Athletic Commission the power to require persons who fail to pay the pro wrestling tax to pay 5% interest per month up to a maximum of 25% plus any expenses incurred by the Commission in examining the failure to pay the tax. The Director of the Commission testified before the Finance Subcommittee that the tax will generate approximately \$150,000 in annual revenue.

Subject: Creation of Athlete Agents Registration Fund**section: 4771.22**

Creates the Athlete Agents Registration Fund. The fund will consist of registration and renewal fees collected by the Ohio Athletic Commission from athlete agents and will be used to administer and enforce the law concerning athlete agents. H.B. 107 of the 123rd General Assembly (effective March 22, 2001) requires the Commission to license and regulate athlete agents.

No provision.