Governor's Office of Management and Budget

Alexis Sturm Director



IL Regulatory Sunset Act Review of The Boxing and Full Contact Martial Arts Act

March 18, 2021



To the Honorable JB Pritzker Governor of Illinois

Governor Pritzker:

The Governor's Office of Management and Budget (GOMB) in collaboration with the Illinois Department of Financial and Professional Regulation (IDFPR), in compliance with the requirements set forth in the Illinois Regulatory Sunset Act (5 ILCS 80), has conducted a review of the Boxing and Full Contact Martial Arts Act (225 ILCS 105), which is scheduled to sunset on January 1, 2022. The following recommendation is pursuant to this review:

The Boxing and Full Contact Martial Arts Act (225 ILCS 105) should be continued with the following modification to its existing statutory and administrative rule framework.

• Add a definition of "Email address of record," standardizing IDFPR's initiative to become more efficient and paperless.

The examination of this Act considered the nine factors set out in Section 6 of the Illinois Regulatory Sunset Act. The following report details the criteria and data utilized to come to the above recommendation.

Very sincerely and respectfully,

Alexis Sturm Director Governor's Office of Management and Budget

Criteria (1) "The extent to which the agency or program has permitted qualified applicants to serve the public."

In Illinois, as of July 2020, there are 391 licensed by the Boxing and Full Contact Martial Arts Act. There are no data readily available on the number of persons who would wish to participate in this profession but are prevented due to either education requirements or fee structures

License Type	2016	2017	2018	2019	2020	
Boxing and Full Contact Martial Arts	777	1053	721	1035	391	
		In State	Out o	of State	Total	
(002.0003) ATHLETICS - LICENSED BOXER		11	19		30	
(002.0004) ATHLETICS - LICENSED BOXING JUDGE		13	7		20	
(002.0005) ATHLETICS - LICENSED BOXING MANAGER		2	1		3	
(002.0007) ATHLETICS - LICENSED BOXING PROMOTER		1	2		3	
(002.0009) ATHLETICS - LICENSED BOXING REFEREE		2	4		6	
(002.0010) ATHLETICS - LICENSED BOXING SECOND		14	48		62	
(002.0011) ATHLETICS - LICENSED TIMEKEEPER		4	0		4	
(002.0016) ATHLETICS - LICENSED MMA CONTESTANT		3	28		31	
(002.0017) ATHLETICS - LICENSED FCMA JUDGE		10	4		14	
(002.0018) ATHLETICS - LICENSED FCMA MANAGER		1	1		2	
(002.0019) ATHLETICS - LICENSED FCMA MATCHMAKER		0	2		2	
(002.0020) ATHLETICS - LICENSED FCMA PROMOTER		2	3		5	
R (002.0021) ATHLETICS - LICENSED FCMA REFEREE		1	2		3	
(002.0022) ATHLETICS - LICENSED FCMA SECOND		17	144		161	
(002.0024) ATHLETICS - LICENSED FCMA CONTESTANT		5	35		40	
(002.0025) ATHLETICS - LICENSED AMATEUR FCMA		3	1		4	
PROMOTER						
(002.0026) ATHLETICS - LICENSED AMATEUR SANCTIONING		1	0		1	
BODY						

The fee structure is below.

License Fee	Fee Amount		
Promoter fee	\$1000		
Referee fee	\$300		
Matchmaker fee	\$250		
Manager fee	\$200		
Contestant fee	\$100		
Timekeeper fee	\$150		
Judge fee	\$100		
Second fee	\$50		
Amateur events promoter fee	\$300		

Permit Fee	Fee Amount		
3-6 bouts	\$500		
7-10 bouts	\$750		
11+ bouts	\$1000		

Renewal Fee	Fee Amount		
Professional Promoter fee	\$500		
Amateur Promoter fee	\$150		
Referee fee	\$150		
Manager fee	\$100		
Contestant fee	\$50		
Timekeeper fee	\$75		
Judge fee	\$50		
Second fee	\$25		
Duplicate license fee	\$50		
Certification of a license	\$50		
National/Federal ID	\$5		
National/Federal ID replacement	\$25		
Fee for restoration after discipline	Cost of a new license		

Forty-nine states have Boxing and Full Contact Martial Arts licensed. There is also a necessary federal license.

Criteria (2) "The extent to which the trade, business, profession, occupation, or industry being regulated is being administered in a nondiscriminatory manner both in terms of employment and rendering of services."

IDFPR adheres to strict guidelines and requirements established for each profession regulated by the Department. Licensing decisions are based on an applicant's ability to meet the requirements established by statute and administrative rule. Neither race nor any other identifier is a consideration for licensure under any of the professional licenses regulated by the Department. Consequently, the Department does not collect information from applicants to disclose their race or other social identifiers that could potentially lead to the act or perception of discrimination in licensing decisions.

Criteria (3) "The extent to which the regulatory agency or program has operated in the public interest, and the extent to which its operation has been impeded or enhanced by existing statutes, procedures, and practices of any other department of state government, and any other circumstances, including budgetary resources, and personnel matters."

IDFPR is tasked with processing applications for licenses and renewal licenses for over 1 million professionals practicing in the state of Illinois. As resources continue to be strained in the state of Illinois, the Department has adopted internal policies, sought legislative and administrative rule changes, and developed enhanced licensing processes to maintain efficiency and efficacy. Though these changes have proved to be successful, there is no substitute for the labor resources needed to maintain and improve licensing efficiencies. Over the last calendar year, IDFPR completed 80 new hires. However, in spite of the new hires, the agency ended the year with a net decrease in headcount. The agency maintains that personnel rules and laws often make it difficult to fill vacant positions in a timely manner.

Criteria (4) "The extent to which the agency running the program has recommended statutory changes to the General Assembly that would benefit the public as opposed to the persons it regulates."

In 2017, IDFPR sponsored Public Act 100-262, the purpose of which was to streamline and modernize the Agency's licensure and administrative case process. The Act enhances the Department's e-license initiative to streamline the initial licensure and renewal as well as allow recipients to know the results of an administrative case with greater immediacy so they can react more quickly and appropriately. This helps ensure that regulated professions are able to use their time to address the needs of their clients, rather than addressing regulatory requirements. Furthermore, this benefits the members of the public at large in that it enables the department to more efficiently suspend the licenses determined to be in violation of rules and statutes. The agency maintains that this ensures a fairer marketplace for the consumer.

In 2018, IDFPR supported Public Act 100-872, which removed the requirement that IDFPR refuse professional licenses to individuals who default on student loan debt that is guaranteed by the state. The agency believes this change removed a barrier to employment that can help people pay such debts.

Criteria (5) "The extent to which the agency or program has required the persons it regulates to report to it concerning the impact of rules and decisions of the agency or the impact of the program on the public regarding improved service, economy of service, and availability of service."

IDFPR adheres to the guidelines and requirements established by the Joint Committee on Administrative Rules (JCAR), the administrative body responsible for approving rule proposals by state agencies. This process allows for input from industry and community stakeholders impacted by the Department's proposed changes. The Department works with lawmakers, community stakeholders, and members of industry to ensure that the proper regulatory approach is employed to best protect the citizens of Illinois.

Criteria (6) "The extent to which persons regulated by the agency or under the program have been required to assess the problems in their industry that affect the public."

None.

Criteria (7) "The extent to which the agency or program has encouraged participation by the public in making its rules and decisions as opposed to participation solely by the persons it regulates and the extent to which such rules and decisions are consistent with statutory authority."

IDFPR adheres to the guidelines and requirements established by the Joint Committee on Administrative Rules (JCAR) and the Illinois General Assembly (ILGA) for approving rule proposals, legislative changes, and internal policies. In addition, the Department adheres to the requirements established in the Illinois Open Meetings Act (5 ILCS 120).

Criteria (8) "The efficiency with which formal public complaints filed with the regulatory agency or under the program concerning persons subject to regulation have been processed to completion, by the executive director of the regulatory agencies or programs, by the Attorney General and by any other applicable department of the State government."

IDFPR accepts public complaints via its website and by phone. The average time from a complaint being received to an investigation being opened is five days. The average time to complete an investigation varies according to how the investigation proceeds:

- Average time to close a case at Investigations: 9 months
- Average time to refer a case from Investigations to Prosecutions: 4 months
- Average time to close a case at Prosecutions: 13 months
- Average time to close a case at Prosecutions with Discipline: 35 months

These average times represent Department complaints overall. Individual complaint data for each regulated profession are not available.

Criteria (9) "The extent to which changes are necessary in the enabling laws of the agency or program to adequately comply with the factors listed in this section."

In each relevant sunset extension proposed by the Department, the language provides for modernizations necessary to implement more streamlined and efficient regulation of this profession, which will ensure public safety and ease the burden of regulatory compliance.

 Add definition of "Email address of record" – Standardizing IDFPR's initiative to become more efficient and paperless.

Conclusion:

Boxing, kickboxing, muay thai and mixed martial arts are consistently ranked as the world's most dangerous sports for their participants. The rules for these niche sports require that participants either knock their opponent unconscious with blows or kicks or incapacitate them beyond being able to intelligently defend themselves and prevent them from completing their scheduled bout(s). There are typically no participants who leave the ring or cage without some degree of injury ranging from a black eye or broken nose to a concussion or catastrophic injury resulting in death.

Participants are required to provide extensive health screenings and records of competition in order to compete. Without these and other significant medical safeguards in place such as pre-competition bout approvals, on-site medical personnel during competition, inspections by regulators throughout the in-competition period and security details, participants and the public could be exposed to dangerous crowd conditions, infectious diseases and even fraudulent presentation of competitors.

Because these dangerous sports do not require significant capital to participate, competitors can be easily swayed to participate. Considering the inherent dangers, many competitors are exposed to unscrupulous practices that do not provide for boxers or mixed martial artists once they are hurt and cannot compete, have suffered brain injury from improper sparring/training and mismatched competition. Legislation such as the Boxing and Full Contact Martial Arts Act are regulatory frameworks found across the United States and provide measures of protection for safe competition and the adherence to maintaining the integrity of the sport. Without these protective measures, athletes – both professional and amateur – would face unprecedented risk in their respective sports.