

UNITED STATES BOXING COMMISSION ACT

SEPTEMBER 30, 2005.—Ordered to be printed

Mr. SENSENBRENNER, from the Committee on the Judiciary,
submitted the following

R E P O R T

[To accompany H.R. 1065]

[Including cost estimate of the Congressional Budget Office]

The Committee on the Judiciary, to whom was referred the bill (H.R. 1065) to establish the United States Boxing Commission to protect the general welfare of boxers and to ensure fairness in the sport of professional boxing, having considered the same, report an amendment, but without recommendation on the bill as amended.

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THE AMENDMENT

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “United States Boxing Commission Act”.

SEC. 2. DEFINITIONS.

As used in this Act, the following definitions apply:

(1) COMMISSION.—The term “Commission” means the United States Boxing Commission established under section 3.

(2) BOXER.—The term “boxer” means an individual who fights in a professional boxing match.

(3) BOXING COMMISSION.—The term “boxing commission” means an entity authorized under State or tribal law to regulate professional boxing matches.

(4) INDIAN LANDS.—The term “Indian lands” has the meanings given that terms by paragraphs (4) of section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703).

(5) JUDGE.—The term “judge” means an official who scores a boxing match to determine the winner.

(6) MANAGER.—The term “manager” means a person other than a promoter who, under contract, agreement, or other arrangement with a boxer, undertakes to control or administer, directly or indirectly, a boxing-related matter on behalf of that boxer, including a person who is a booking agent for a boxer.

(7) MATCHMAKER.—The term “matchmaker” means a person that proposes, selects, and arranges for boxers to participate in a professional boxing match. Such term does not include a hotel, casino, resort, or other commercial establishment hosting or sponsoring a professional boxing match, or a provider of cable, satellite, or network television programming, unless—

(A) the hotel, casino, resort, or other commercial establishment, or provider of cable, satellite, or network television programming is primarily responsible for proposing, selecting, and arranging for boxers to participate in the professional boxing match; and

(B) there is no other person primarily responsible for proposing, selecting, and arranging for boxers to participate in the match.

(8) REFEREE.—The term “referee” means the official inside the boxing ring who supervises the boxing match.

(9) PROFESSIONAL BOXING MATCH.—The term “professional boxing match” means a boxing contest held in the United States between individuals for financial compensation. Such term does not include a boxing contest that is regulated by a duly recognized amateur sports organization, as approved by the Commission.

(10) PROMOTER.—The term “promoter”—

(A) means the person primarily responsible for organizing, promoting, and producing a professional boxing match; but

(B) does not include a hotel, casino, resort, or other commercial establishment hosting or sponsoring a professional boxing match, or a provider of cable, satellite, or network television programming, unless—

(i) the hotel, casino, resort, or other commercial establishment, or provider of cable, satellite, or network television programming is primarily responsible for organizing, promoting, and producing the match; and

(ii) there is no other person primarily responsible for organizing, promoting, and producing the match.

(11) STATE.—The term “State” means each of the 50 States, Puerto Rico, the District of Columbia, and any territory or possession of the United States, including the Virgin Islands.

(12) SANCTIONING ORGANIZATION.—The term “sanctioning organization” means an organization, other than a boxing commission, that sanctions professional boxing matches, ranks professional boxers, or charges a sanctioning fee for professional boxing matches in the United States—

(A) between boxers who are residents of different States; or

(B) that are advertised, otherwise promoted, or broadcast (including closed circuit television) in interstate commerce.

(13) SUSPENSION.—The term “suspension” includes within its meaning the temporary revocation of a boxing license.

(14) TRIBAL ORGANIZATION.—The term “tribal organization” has the same meaning as in section 4(l) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(1)).

SEC. 3. ESTABLISHMENT OF UNITED STATES BOXING COMMISSION.

(a) IN GENERAL.—The United States Boxing Commission is established as a commission within the Department of Commerce.

(b) MEMBERS.—

(1) IN GENERAL.—The Commission shall consist of 3 members appointed by the President, by and with the advice and consent of the Senate.

(2) QUALIFICATIONS.—No member of the Commission may, while serving as a member of the Commission—

(A) be engaged as a professional boxer, boxing promoter, agent, fight manager, matchmaker, referee, judge, or in any other capacity in the conduct of the business of professional boxing;

(B) have any pecuniary interest in the earnings of any boxer or the proceeds or outcome of any boxing match; or

(C) serve as a member of a boxing commission.

(3) BIPARTISAN MEMBERSHIP.—Not more than 2 members of the Commission may be members of the same political party.

(4) GEOGRAPHIC BALANCE.—Not more than 2 members of the Commission may be residents of the same geographic region of the United States when appointed to the Commission. For purposes of the preceding sentence, the area of the United States east of the Mississippi River is a geographic region, and the area of the United States west of the Mississippi River is a geographic region.

(5) TERMS.—

(A) IN GENERAL.—The term of a member of the Commission shall be 3 years. No member of the Commission shall serve more than 2 terms.

(B) MIDTERM VACANCIES.—A member of the Commission appointed to fill a vacancy in the Commission occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of that unexpired term.

(C) CONTINUATION PENDING REPLACEMENT.—A member of the Commission may serve after the expiration of that member's term until a successor has taken office.

(6) REMOVAL.—A member of the Commission may be removed by the President only for cause.

(c) EXECUTIVE DIRECTOR.—

(1) IN GENERAL.—The Commission shall employ an Executive Director to perform the administrative functions of the Commission under this Act, and such other functions and duties of the Commission as the Commission shall specify.

(2) DISCHARGE OF FUNCTIONS.—Subject to the authority, direction, and control of the Commission the Executive Director shall carry out the functions and duties of the Commission under this Act.

(d) GENERAL COUNSEL.—The Commission shall employ a General Counsel to provide legal counsel and advice to the Executive Director and the Commission in the performance of its functions under this Act, and to carry out such other functions and duties as the Commission shall specify.

(e) STAFF.—The Commission shall employ such additional staff as the Commission considers appropriate to assist the Executive Director and the General Counsel in carrying out the functions and duties of the Commission under this Act.

(f) MEETINGS.—The Commission shall hold its first meeting no later than 30 days after all members shall have been appointed, and shall meet thereafter not less frequently than once every 60 days.

(g) COMPENSATION.—

(1) MEMBERS OF COMMISSION.—

(A) IN GENERAL.—Each member of the Commission shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission.

(B) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(2) EXECUTIVE DIRECTOR AND STAFF.—The Commission shall fix the compensation of the Executive Director, the General Counsel, and other personnel of the Commission. The rate of pay for the Executive Director, the General Counsel, and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code.

SEC. 4. FUNCTIONS.

(a) GENERAL FUNCTIONS.—The general functions of the Commission are—

(1) to protect the general interests of boxers consistent with the provisions of this Act; and

(2) to ensure uniformity, fairness, and integrity in professional boxing;

(3) except as otherwise determined by the Commission, oversee all professional boxing matches in the United States.

(b) INITIAL RULEMAKING.—Not later than 180 days after the date on which the Commission shall hold its first meeting, the Commission shall, by rule promulgate uniform standards for professional boxing in consultation with the Association of Boxing Commissions.

(c) ADDITIONAL FUNCTIONS.—In addition to its general functions under subsection (a), the Commission shall—

(1) work with the boxing commissions of the several States and tribal organizations to improve the status and standards of professional boxing in the United States;

(2) ensure, in cooperation with the Attorney General, or a designee of the Attorney General, (who shall represent the Commission in any judicial proceeding under this Act), the chief law enforcement officer of the several States, and other appropriate officers and agencies of Federal, State, and local government, that Federal and State laws applicable to professional boxing matches in the United States are vigorously, effectively, and fairly enforced;

(3) review State boxing commission regulations for professional boxing and provide assistance to such authorities in meeting minimum standards prescribed by the Commission under this Act;

(4) if the Commission determines appropriate, publish a newspaper, magazine, or other publication and establish and maintain an Internet website consistent with the provisions of this Act; and

(5) promulgate rules, regulations, and guidance, and take any other action necessary and proper to accomplish the purposes of, and consistent with, the provisions of this Act.

(d) PROHIBITIONS.—The Commission may not—

(1) promote boxing events or rank professional boxers; or

(2) provide technical assistance to, or authorize the use of the name of the Commission by, boxing commissions that do not comply with requirements of the Commission.

SEC. 5. LICENSING AND REGISTRATION OF BOXING PERSONNEL.

(a) LICENSING.—

(1) REQUIREMENT FOR LICENSE.—Beginning 1 year after the date of enactment of this Act, no person may compete in a professional boxing match or serve as a boxing manager, boxing promoter, matchmaker, judge, referee, or sanctioning organization for a professional boxing match except as provided in a license granted to that person under this subsection.

(2) APPLICATION AND TERM.—

(A) IN GENERAL.—The Commission shall—

(i) establish application procedures, forms, and fees for licenses granted under this section;

(ii) establish and publish appropriate standards for such licenses;

(iii) issue a license to any person who, as determined by the Commission, meets the standards established by the Commission under this Act; and

(iv) begin issuing such licenses not later than 270 days after the date on which Commission holds its first meeting.

(B) DURATION.—A license issued under this section shall be for a renewable—

(i) 4-year term for a boxer; and

(ii) 2-year term for any other person.

(C) PROCEDURE.—The Commission may issue a license under this paragraph through boxing commissions or in a manner determined by the Commission.

(b) LICENSING FEES.—

(1) AUTHORITY.—The Commission may prescribe and charge reasonable fees for the licensing of persons under this Act. The Commission may set, charge, and adjust varying fees on the basis of classifications of persons, functions, and events determined appropriate by the Commission.

(2) LIMITATIONS.—In setting and charging fees under paragraph (1), the Commission shall ensure that, to the maximum extent practicable—

(A) club boxing is not adversely effected;

(B) sanctioning organizations and promoters pay comparatively the largest portion of the fees; and

(C) boxers pay as small a portion of the fees as is possible.

SEC. 6. NATIONAL REGISTRY OF BOXING PERSONNEL.

The Commission shall establish and maintain (or authorize a third party to establish and maintain) a unified national computerized registry for the collection, stor-

age, and retrieval of such information as the Commission shall prescribe by rule related to the performance of its duties.

SEC. 7. CONSULTATION REQUIREMENTS.

The Commission shall consult with the Association of Boxing Commissions—

- (1) before prescribing any regulation or establishing any standard under the provisions of this Act; and
- (2) not less than once each year regarding matters relating to professional boxing.

SEC. 8. MISCONDUCT.

(a) **SUSPENSION AND REVOCATION OF LICENSE OR REGISTRATION.—**

(1) **AUTHORITY.—**The Commission may, after notice and opportunity for a hearing, suspend or revoke any license issued under this Act if the Commission—

- (A) finds that the license holder has violated any provision of this Act or a standard prescribed under this Act;
- (B) reasonably believes that a standard prescribed by the Commission under this Act is not being met, or that bribery, collusion, intentional losing, racketeering, extortion, or the use of unlawful threats, coercion, or intimidation have occurred in connection with a license; or
- (C) finds that the suspension or revocation is in the public interest.

(2) **PERIOD OF SUSPENSION.—**A suspension of a license under this section shall be effective for a period determined appropriate by the Commission.

(3) **PERIOD OF REVOCATION.—**In the case of a revocation of the license of a boxer, the revocation shall be for a period of not less than 1 year.

(b) **INVESTIGATIONS AND INJUNCTIONS.—**

(1) **AUTHORITY.—**The Commission may—

- (A) conduct any investigation that it considers necessary to determine whether any person has violated, or is about to violate, any provision of this Act or any regulation prescribed under this Act;
- (B) require or permit any person to file with it a statement in writing, under oath or otherwise as the Commission shall determine, as to all the facts and circumstances concerning the matter to be investigated;
- (C) in its discretion, publish information concerning any violations; and
- (D) investigate any facts, conditions, practices, or matters to aid in the enforcement of the provisions of this Act, in the prescribing of regulations under this Act, or in securing information to serve as a basis for recommending legislation concerning the matters to which this Act relates.

(2) **POWERS.—**

(A) **IN GENERAL.—**For the purpose of any investigation under paragraph (1) or any other proceeding under this Act—

- (i) any officer designated by the Commission may administer oaths and affirmations, subpoena or otherwise compel the attendance of witnesses, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records the Commission considers relevant or material to the inquiry; and
- (ii) the provisions of sections 6002 and 6004 of title 18, United States Code, shall apply.

(B) **WITNESSES AND EVIDENCE.—**The attendance of witnesses and the production of any documents under subparagraph (A) may be required from any place in the United States, including Indian land, at any designated place of hearing.

(3) **ENFORCEMENT OF SUBPOENAS.—**

(A) **CIVIL ACTION.—**In case of contumacy by, or refusal to obey a subpoena issued to, any person, the Commission may file an action in any district court of the United States within the jurisdiction of which an investigation or proceeding is carried out, or where that person resides or carries on business, to enforce the attendance and testimony of witnesses and the production of books, papers, correspondence, memorandums, and other records. The court may issue an order requiring the person to appear before the Commission to produce records, if so ordered, or to give testimony concerning the matter under investigation or in question.

(B) **FAILURE TO OBEY.—**Any failure to obey an order issued by a court under subparagraph (A) may be punished as contempt of that court.

(C) **PROCESS.—**All process in any contempt case under subparagraph (A) may be served in the judicial district in which the person is an inhabitant or in which the person may be found.

(D) ADMINISTRATIVE SUBPOENAS.—The requirements of section 3486 of title 18, United States Code, shall apply to the administration and enforcement of subpoenas under this Act.

(4) EVIDENCE OF CRIMINAL MISCONDUCT.—No person may be excused from attending and testifying or from producing books, papers, contracts, agreements, and other records and documents before the Commission, in obedience to the subpoena of the Commission, or in any cause or proceeding instituted by the Commission, on the ground that the testimony or evidence, documentary or otherwise, required of that person may tend to incriminate the person or subject the person to a penalty or forfeiture.

(5) INJUNCTIVE RELIEF.—If the Commission determines that any person is engaged or about to engage in any act or practice that constitutes a violation of any provision of this Act, or of any regulation prescribed under this Act, the Commission may bring an action in the appropriate district court of the United States, the United States District Court for the District of Columbia, or the United States courts of any territory or other place subject to the jurisdiction of the United States, to enjoin the act or practice, and upon a proper showing, the court shall grant without bond a permanent or temporary injunction or restraining order.

(6) MANDAMUS.—Upon application of the Commission, the district courts of the United States, the United States District Court for the District of Columbia, and the United States courts of any territory or other place subject to the jurisdiction of the United States, shall have jurisdiction to issue writs of mandamus commanding any person to comply with the provisions of this Act or any order of the Commission.

(c) INTERVENTION IN CIVIL ACTIONS.—

(1) IN GENERAL.—The Commission, on behalf of the public interest, may intervene of right as provided under rule 24(a) of the Federal Rules of Civil Procedure in any civil action relating to professional boxing filed in a district court of the United States.

(2) AMICUS FILING.—The Commission may file a brief in any action filed in a court of the United States on behalf of the public interest in any case relating to professional boxing.

(d) HEARINGS BY COMMISSION.—Hearings conducted by the Commission under this Act shall be public and may be held before any officer of the Commission. The Commission shall keep appropriate records of the hearings.

SEC. 9. NONINTERFERENCE WITH BOXING COMMISSIONS.

(a) NONINTERFERENCE.—Nothing in this Act prohibits any boxing commission from exercising any of its powers, duties, or functions with respect to the regulation or supervision of professional boxing or professional boxing matches to the extent not inconsistent with the provisions of this Act.

(b) MINIMUM STANDARDS.—Nothing in this Act prohibits any boxing commission from enforcing local standards or requirements that exceed the minimum standards or requirements promulgated by the Commission under this Act.

SEC. 10. ASSISTANCE FROM OTHER AGENCIES.

Any employee of any executive department, agency, bureau, board, commission, office, independent establishment, or instrumentality may be detailed to the Commission, upon the request of the Commission, on a reimbursable or nonreimbursable basis, with the consent of the appropriate authority having jurisdiction over the employee. While so detailed, an employee shall continue to receive the compensation provided pursuant to law for the employee's regular position of employment and shall retain, without interruption, the rights and privileges of that employment.

SEC. 11. STUDIES.

(a) HEALTH AND SAFETY STUDY.—

(1) STUDY.—The Commission shall conduct a study on the health and safety aspects of boxing, including an examination of—

(A) the risks or serious injury and the nature of potential injuries, including risks particular to boxers of each sex;

(B) the long term effect of boxing on the health of boxers;

(C) the availability of health insurance for boxers;

(D) the extent to which differences in equipment effect the risks of potential injury; and

(E) the effectiveness of safety standards and regulations.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Commission shall submit a report on the study required by this section to the Committee on Commerce, Science, and Transportation of the Senate and the

Committee on Energy and Commerce of the House of Representatives, including recommendations to improve the health and safety aspects of boxing.

(b) **STUDY ON THE DEFINITION OF PROMOTER.**—

(1) **STUDY.**—The United States Boxing Commission shall conduct a study on how the term “promoter” should be defined for purposes of the United States Boxing Commission Act.

(2) **HEARINGS.**—As part of that study, the Commission shall hold hearings and solicit testimony at those hearings from boxers, managers, promoters, premium, cable, and satellite program service providers, hotels, casinos, resorts, and other commercial establishments that host or sponsor professional boxing matches, and other interested parties with respect to the definition of that term as it is used in the United States Boxing Commission Act.

(3) **REPORT.**—Not later than 1 year after the date of the enactment of this Act, the Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on the study conducted under subsection

(a). The report shall—

(A) set forth a proposed definition of the term “promoter” for purposes of the United States Boxing Commission Act; and

(B) describe the findings, conclusions, and rationale of the Commission for the proposed definition, together with any recommendations of the Commission, based on the study.

SEC. 12. REPORTS.

(a) **ANNUAL REPORT.**—Not later than 2 years after the date of enactment of this Act, and each year thereafter, the Commission shall submit a report on its activities to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives. The annual report shall include—

(1) a detailed discussion of the activities of the Commission for the year covered by the report;

(2) an overview of the licensing and enforcement activities of the State and tribal organization boxing commissions; and

(3) recommendations regarding additional persons or entities within the sport of boxing over whom to extend the licensing requirement established by this Act.

(b) **PUBLIC REPORT.**—The Commission shall annually issue and publicize a report of the Commission on the progress made at Federal and State levels and on Indian lands in the reform of professional boxing, which shall include comments on issues of continuing concern to the Commission.

SEC. 13. SUNSET PROVISION.

This Act shall cease to have effect 12 years after the date of enactment of this Act.

SEC. 14. AUTHORIZATION OF APPROPRIATIONS.

(a) **IN GENERAL.**—There are authorized to be appropriated for the Commission for each fiscal year such sums as may be necessary for the Commission to perform its functions for that fiscal year.

(b) **RECEIPTS CREDITED AS OFFSETTING COLLECTIONS.**—Notwithstanding section 3302 of title 31, United States Code, any fee collected under this Act—

(1) shall be credited as offsetting collections to the account that finances the activities and services for which the fee is imposed;

(2) shall be available for expenditure only to pay the costs of activities and services for which the fee is imposed; and

(3) shall remain available until expended.

PURPOSE AND SUMMARY

The purpose of H.R. 1065, the “United States Boxing Commission Act of 2005,” is to create a Federal boxing commission to regulate the sport of boxing at the professional level. The Commission would have the power to regulate boxers and promoters, investigate illegal activities in the sport, and use the Federal courts to enforce its regulatory authority.

The legislation was sequentially referred to the House Judiciary Committee on July 28, 2005. The sequential referral expires September 30, 2005. The Judiciary Committee sequential referral was

triggered by the provisions of the bill (Section 8) that enable the newly-formed U.S. Boxing Commission to issue and enforce subpoenas and to compel testimony by potential witnesses to illegal activity.

BACKGROUND

Various studies and investigations have found that corruption and organized criminal activity are present within the sport of boxing. Other studies have identified ways in which boxing safety can be improved. To address these concerns, Congress enacted the “Professional Boxing Safety Act of 1996” (110 Stat. 3309) and the “Muhammad Ali Boxing Reform Act of 2000” (114 Stat. 327). These pieces of legislation respectively increased the powers of State boxing commissions to ensure safe fights and regulated some of the financial aspects of boxing including contracts.

The Senate companion legislation sponsored by Senator McCain, S. 148, passed the Senate on May 9, 2005 by unanimous consent.

HEARINGS

The House Committee on the Judiciary held no hearings on H.R. 1065.

COMMITTEE CONSIDERATION

On July 28, 2005, the House Committee on the Judiciary received a sequential referral of H.R. 1065. On September 29, 2005 the Committee met in open session and ordered without recommendation reported the bill H.R. 1065 to the House by a voice vote, a quorum being present.

VOTE OF THE COMMITTEE

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the Committee notes that there were no recorded votes during the Committee consideration of H.R. 1065.

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee reports that the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives, are incorporated in the descriptive portions of this report.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives is inapplicable because this legislation does not provide new budgetary authority or increased tax expenditures.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

In compliance with clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the Committee sets forth, with respect to the bill H.R. 1065, the following estimate and comparison prepared by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

SEPTEMBER 30, 2005.

Hon. F. JAMES SENSENBRENNER, Jr.,
Chairman, Committee on the Judiciary, House of Representatives,
Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1065, the United States Boxing Commission Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Melissa Z. Petersen.

Sincerely,

DOUGLAS HOLTZ-EAKIN.

Enclosure.

H.R. 1065—United States Boxing Commission Act

Summary: H.R. 1065 would establish the United States Boxing Commission (USBC) within the Department of Commerce. The commission would protect the interests of boxers and would govern the business of professional boxing by regulating the sport of boxing, licensing and registering boxing participants, and overseeing all boxing matches in the United States.

Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 1065 would cost \$5 million in 2006 and \$26 million over the 2006–2010 period. Enacting the bill would not affect direct spending or revenues.

By placing requirements on boxing commissions run by state and tribal governments, H.R. 1065 would impose intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the cost for those mandates would not be significant and would not exceed the threshold established in that act (\$62 million in 2005, adjusted annually for inflation).

H.R. 1065 would impose several private-sector mandates, as defined in UMRA, on the boxing industry. CBO estimates that the total direct cost of those mandates would fall below the annual threshold established by UMRA for private-sector mandates (\$123 million in 2005, adjusted annually for inflation).

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 1065 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By fiscal year, in millions of dollars—				
	2006	2007	2008	2009	2010
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	6	6	5	5	5
Estimated Outlays	5	6	5	5	5

Basis of Estimate: CBO estimates that implementing H.R. 1065 would cost \$26 million over the 2006–2010 period, assuming appropriation of the necessary amounts. For this estimate, we assume that the bill will be enacted near the beginning of fiscal year 2006 and that the amounts estimated to be necessary will be appropriated for each year beginning in fiscal year 2006. Enacting the bill would not affect direct spending or revenues.

Currently, tribal and state boxing commissions act as governing bodies—issuing licenses, ensuring boxing safety, and monitoring boxing contracts and fights within their jurisdiction. The USBC would not replace those entities or the activities they undertake; however, H.R. 1065 would create a separate, federal entity to govern the sport of professional boxing with national, minimal standards and licensing requirements.

United States Boxing Commission

H.R. 1065 would create the USBC within the Department of Commerce. It would be headed by three commissioners to be appointed by the President. In addition to those positions, H.R. 1065 would allow the hiring of necessary staff to fulfill the requirements of the bill. The USBC would create and monitor compliance with regulations establishing uniform standards for professional boxing and would oversee all boxing matches held in the United States. Based on information provided by the Department of Commerce, CBO estimates the costs of the USBC would be about \$4 million in 2006 and about \$23 million over the 2006–2010 period, assuming the appropriation of the necessary amounts.

Licensing and registration

H.R. 1065 would require the USBC to license boxers, managers, and promoters every two to four years. CBO assumes that license fees would be similar to those currently charged by state boxing commissions. The bill would require the USBC to maintain a registry with the names of licensed boxers, managers, and promoters, as well as boxing judges and referees. Based on spending for similar registries, CBO estimates that the cost of developing the boxing registry would be about \$2 million over the 2006–2009 period, assuming the appropriation of the necessary amounts. CBO estimates that the licensing fees (considered offsetting collections) would offset the cost of maintaining the registry by about 2009.

Estimated impact on state, local, and tribal governments: H.R. 1065 contains intergovernmental mandates as defined in UMRA, because it would preempt the regulatory authority of certain state and tribal boxing commissions and require states and tribes to comply with uniform regulations to be created by the United States Boxing Commission. The USBC also would have the authority to promulgate uniform regulations and to review the regulations of state boxing commissions. Information from tribes involved in professional boxing and from the Association of Boxing Commissions indicates that many state and tribal boxing commissions already regulate boxing matches using standards similar to those that would be required by this bill. CBO therefore expects any costs associated with additional regulations to be minimal.

H.R. 1065 also would give the USBC authority to subpoena witnesses and evidence from any place in the United States, including Indian land. This authority would be considered a mandate under UMRA, but because it would be used rarely, it would not be likely to impose significant costs.

CBO estimates that the cost of complying with all of the intergovernmental mandates in the bill would not be significant, and therefore, would not exceed the threshold established in UMRA (\$62 million in 2005, adjusted annually for inflation).

Estimated impact on the private sector: H.R. 1065 would impose several private-sector mandates, as defined in UMRA, on the boxing industry. Such mandates would require private entities of the industry to be licensed by the United States Boxing Commission, comply with USBC standards, and provide testimony, evidence, or materials related to any investigations conducted by the USBC. CBO estimates that the total direct cost of those mandates would fall below the annual threshold established by UMRA for private-sector mandates (\$123 million in 2005, adjusted annually for inflation).

The bill would require boxers, managers, promoters, referees, judges, and sanctioning organizations to be licensed by the USBC established in the bill. Those private entities would be required to comply with the minimum standards set forth by the USBC to receive and renew their licenses. USBC would be required to consult with the Association of Boxing Commissions when setting uniform standards for the industry. CBO expects that future uniform standards established by the USBC would be incremental but, in many ways, similar to some combination of current state standards. CBO cannot estimate the costs associated with complying with those future minimum standards due to the uncertainty of what those standards would be. However, CBO expects that the incremental costs to comply with those standards would be minimal compared to UMRA's threshold because the boxing industry must currently comply with state standards. According to representatives of the boxing industry, license fees would most likely cost the industry less than \$1 million per year.

In addition, entities in the private-sector, if subpoenaed, would be required to attend and provide testimony, evidence, or materials related to any investigations the USBC may conduct. Such a requirement would be a private-sector mandate under UMRA. Based on information from the Department of Labor, CBO expects that the commission would likely exercise its subpoena power sparingly and that the costs to comply with a subpoena would not be significant.

Previous CBO estimates: On July 18, 2005, CBO transmitted a cost estimate for H.R. 1065, the United States Boxing Commission Act, as ordered reported by the House Committee on Energy and Commerce on June 29, 2005. The two pieces of legislation are similar, and the estimated cost to the federal government are identical. The Judiciary Committee's version of H.R. 1065 differs in that it contains an additional provision regarding administrative subpoenas. The new provision does not affect CBO's private-sector mandate determination for the bill.

On April 1, 2005, CBO transmitted a cost estimate for S. 148, the Professional Boxing Amendments Act of 2005, as ordered reported by the Senate Committee on Commerce, Science, and Transportation March 10, 2005. Both S. 148 and H.R. 1065 would create a United States Boxing Commission that would have similar duties related to the sport of professional boxing. S. 148 would create a medical registry and would make violations of certain provisions of the Professional Boxing Safety Act of 1996 federal crimes, while H.R. 1065 would not. The federal cost estimates for the bills reflect these differences.

S. 148 contains additional testing and reporting requirements for state and tribal boxing commissions. The intergovernmental mandates statements reflect these differences between the two bills.

Both S. 148 and H.R. 1065 would require the professional boxing industry to be licensed by the USBC, to comply with the standards to be established by the USBC licensing, and to attend and provide testimony, evidence, or materials related to any investigations the USBC may conduct. S. 148 includes additional mandates on the boxing industry not found in H.R. 1065 by requiring additional safety standards, standard clauses for contracts, and filing of reports. CBO determined that the aggregate direct costs associated with complying with the mandates found in S. 148 would fall below the annual threshold established by UMRA for private-sector mandates (\$123 million in 2005, adjusted annually for inflation).

Estimate prepared by: Federal Costs: Melissa Z. Petersen. Impact on State, Local, and Tribal Governments: Sarah Puro. Impact on the Private Sector: Craig Cammarata.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

PERFORMANCE GOALS AND OBJECTIVES

The Committee states that pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, H.R. 1065 is designed to regulate the sport of professional boxing and to empower the newly created U.S. Boxing Commission to turn to the Federal courts to compel compliance with its investigations into misconduct in the sport.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds the authority for this legislation in art. I, § section 8, cl. 3 of the Constitution.

SECTION-BY-SECTION ANALYSIS AND DISCUSSION

The following section-by-section analysis describes the bill as reported by the Committee on the Judiciary.

Section 1. Short title

Section 1 provides for the short title of the legislation, the “United States Boxing Commission Act.”

Section 2. Definitions

Section 2 provides for a series of definitions used in the legislation.

Section 3. Establishment of the United States Boxing Commission

Section 3 establishes the United States Boxing Commission (“Commission”) within the United States Department of Commerce. The Commission will consist of three commissioners appointed by the President who must meet certain geographic and bipartisan requirements. Conflict of interest from existing occupations and financial interest in professional boxing will disqualify individuals from serving. Additional staff positions within the Commission with specified pay rates are identified in Section 3.

Section 4. Functions

Section 4 identifies the general and specific duties of the Commission. These duties include:

- Promulgating uniform standards for professional boxing within 180 days;
- Ensuring that Federal and State laws related to boxing are enforced;
- Assisting State boxing commissions; and
- Promulgating additional standards related to boxing.

Existing State boxing standards are not preempted by the legislation.

The Committee adopted an amendment to ensure that the U.S. Attorney General or his designee can represent the Commission in any judicial proceeding under this Act. As reported from the Committee on Energy and Commerce, the legislation appeared to allow only the Attorney General himself to represent the Commission. The amendment permits the Attorney General to designate other qualified individuals to represent the Commission before the judicial branch, such as United States Attorneys.

Section 5. Licensing registration of boxing personnel

Section 5 creates a licensing requirement for boxers, referees, promoters, judges, and sanctioning organizations. The Commission is provided 270 days to promulgate the licensing standards. Licensing fees are authorized with the goal of keeping fees on individual boxers low.

Section 6. National registry of boxing personnel

The Commission is required to establish a central registry of boxing personnel under this section of the legislation.

Section 7. Consultation requirements

Section 7 imposes upon the Commission a requirement to consult with the Association of Boxing Commissions on a minimum yearly basis.

Section 8. Misconduct

As amended, section 8 provides the Commission with the authority and tools to investigate misconduct and to suspend or revoke a license issued under the Act upon determination that certain actions have occurred. Commission determinations cannot be used in Federal or State courts and agencies as grounds for other actions unless the forfeiture or restriction of the license itself results in actionable harm. A determination of racketeering by the Commission cannot be used to convict an individual of the same offense in Federal or State courts, or to cause a penalty to be imposed by other Federal or State agencies.

Similar to other Federal agencies and commissions, the legislation provides the Commission with the authority to seek compulsion of its subpoenas in Federal court in the district where the investigation is occurring or where the person subject to the subpoena resides. The amendment reported by the Committee on the Judiciary subjects this authority to existing restrictions on such administrative subpoena authority for other agencies listed in 18 U.S.C. §§ 3486, 6002, and 6004.

The Committee amendment to this section also reduced the authority of the Executive Director of the Commission to seek injunctions in Federal courts. The Committee believes that any actions taken on the Commission's behalf before the Federal judiciary should be authorized by a majority vote of the Presidentially-appointed and confirmed Commissioners, rather than an Executive Director who has not been so appointed and confirmed. In practice, this change should have little effect on the actions of the Commission, since the three Commissioners can quickly vote to authorize such action. In addition, the requirement that the Commissioners themselves authorize such actions ensures that the balanced qualifications imposed upon the Commissioners themselves in section 3 of the legislation, including bipartisanship, have a role in determining whether to seek an injunction in Federal courts.

Section 9. Noninterference with boxing commissions

Section 9 prohibits the Commission from exercising its powers in a way that limits other State boxing commissions from operating unless the State commissions act contrary to the Act.

Section 10. Assistance from other agencies

This section authorizes detailees from other Federal agencies to participate in the work of the Commission.

Section 11. Studies

Section 11 requires a series of studies on health and safety issues related to boxing as well as the definition of the term "boxing promoter."

Section 12. Reports

Section 12 requires several reports on an annual and biennial basis.

Section 13. Sunset provision

Section 13 imposes a 12-year sunset requirement on the Act.

Section 14. Authorization of appropriations

Section 14 authorizes that fees collected by the Commission shall be available for use by the Commission.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

The bill was referred to this committee for consideration of such provisions of the bill and the amendment as fall within the jurisdiction of this committee pursuant to clause 1(k) of rule X of the Rules of the House of Representatives. The changes made to existing law by the amendment reported by the Committee on Energy and Commerce are shown in the report filed by that committee (Rept. 109-209, Part 1). The amendments made by this committee do not make any changes to existing law.