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## FISCAL IMPACT REPORT

<b>SPONSOR</b>	House Appropriations and Finance Committee	<b>LAST UPDATED</b>	
		<b>ORIGINAL DATE</b>	3/12/2025
		<b>BILL NUMBER</b>	CS/CS/House Bill 444/HGEICS/HAF CS
<b>SHORT TITLE</b>	Transfer Athletic Commission Authority	<b>ANALYST</b>	Montano

### REVENUE\* (dollars in thousands)

Type	FY25	FY26	FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
Fee	\$0	Indeterminate but minimal gain	Recurring	Athletic Commission Fund			

Parentheses ( ) indicate revenue decreases.  
\*Amounts reflect most recent analysis of this legislation.

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
RLD/BCD	No fiscal impact	\$40.0	No fiscal impact	\$40.0	Nonrecurring	Athletic Commission Fund

Parentheses ( ) indicate expenditure decreases.  
\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

Agency Analysis Received From  
Regulation and Licensing Department (RLD)

## SUMMARY

### Synopsis of HAFCS Substitute for House Bill 444

The House Appropriations and Finance Committee substitute for House Bill 444 (HB444) transfers the authority of the New Mexico Athletic Commission to the Regulation and Licensing Department (RLD). This shift centralizes oversight of professional athletic competitions, including boxing, kickboxing, mixed martial arts, competitive wrestling and sports entertainment wrestling under RLD. The bill expands the commission's membership from five to seven members and modifies its composition to include individuals with experience in sports promotion, legal professionals, medical experts, and public representatives. The bill sets the commission's role as advisory, charging the commission with providing recommendations to the Legislature, the governor, and the department on the regulation and growth of unarmed combat sports in the state.

The bill eliminates the Medical Advisory Board and revises the licensing process by adding a new category for event coordinators. It also amends licensing fees and expands RLD's jurisdiction over contests and exhibitions, allowing it to approve sanctioning organizations and enforce compliance with the Professional Athletic Competition Act. Additionally, the bill specifies that only license fees are to be deposited into the athletic commission fund, subject to legislative appropriation. The commission may also establish committees when needed, and these committees may include other public members, but all committees must be chaired by a member of the commission.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

## **FISCAL IMPLICATIONS**

RLD states that applications for licenses related to the Professional Athletic Competition Act (PACA) are completed on paper. It would cost RLD approximately \$40 thousand to move the current application process to RLD's NM-Plue electronic system.

RLD projects that the enactment of HB444 will not have any fiscal implications on revenue. Expanding the list of available licenses has the potential to generate more revenue, however, it more likely that the bill will simply require the current list of licensees to apply for a license more related to their professions instead of being licensed within the current broad category.

## **SIGNIFICANT ISSUES**

There could be potential licensing and fee structure conflicts with the enactment of House Bill 444. The bill modifies licensing categories and fees for individuals involved in combat sports. New licensing fees may create financial burdens for smaller promoters, fighters, and organizations, possibly discouraging participation in the industry. The transition to a new licensing structure could cause delays in approvals, affecting event scheduling and professional combat sports operations.

The bill grants the Athletic Commission rulemaking authority to set qualifications for licenses, but requires RLD to oversee regulatory changes, which could lead to bureaucratic delays and conflicts in setting new rules. Existing combat sports organizations and stakeholders may challenge new regulations if they increase costs, limit participation, or create difficulties in compliance. The bill updates penalty structures and allows purse withholding for unsportsmanlike conduct, which could lead to disputes between athletes, promoters, and the commission.

## **ADMINISTRATIVE IMPLICATIONS**

RLD would now be responsible for the licensing and regulation of PACA and will also have a new commission license data kept through the NM Plus licensing system. RLD is also expecting that the current FTE will be able to handle the workload changes entailed in HB444.