

Michigan Office of Administrative Hearings and Rules

Administrative Rules Division (ARD)

MOAHR-Rules@michigan.gov

**REGULATORY IMPACT STATEMENT
and COST-BENEFIT ANALYSIS (RIS)**

Agency Information:

Department name:

Licensing and Regulatory Affairs

Bureau name:

Corporations, Securities, & Commercial Licensing

Name of person filling out RIS:

Mitchell Page

Phone number of person filling out RIS:

517-241-6659

E-mail of person filling out RIS:

PageM6@michigan.gov

Rule Set Information:

ARD assigned rule set number:

2024-44 LR

Title of proposed rule set:

Unarmed Combat

Comparison of Rule(s) to Federal/State/Association Standard

1. Compare the proposed rules to parallel federal rules or standards set by a state or national licensing agency or accreditation association, if any exist.

The Department of Licensing and Regulatory Affairs (“department”), Unarmed Combat Commission (“Commission”), regulates unarmed combat events, contestants, officials, and promoters. The proposed rules are designed to allow bare-knuckle fighting events under the Michigan Unarmed Combat Regulatory Act (“Act”) regulatory structure, improve the event approval process and result upload procedures, clarify round lengths for kickboxing and muay thai events, and establish consistency on glove use. The existing rules already adhere to the Professional Boxing Safety Act, Pub. L. 104-272, 110 Stat. 3309-13, and the Muhammad Ali Boxing Reform Act, Pub L. No. 106-210, 114 Stat. 321 (2000), for professional boxing.

A. Are these rules required by state law or federal mandate?

The existing rules adhere to the mandates for boxing commissions established by the federal Professional Boxing Safety Act and the Muhammad Ali Boxing Reform Act. These acts require state boxing commissions to establish safety standards, procedures regarding the suspension of boxers, procedures for drug testing, procedures for disclosing interests, prohibitions against conflicts of interest, and other requirements for the sport of boxing. 15 U.S.C. § 6301 through § 6313. There are no federal mandates applicable to mixed martial arts, kickboxing, muay thai, or bare-knuckle fighting.

Section 22(2) of the Act, MCL 338.3622(2), requires the Commission to review the Association of Boxing Commission's ("ABC") model rules before promulgating rules for the administration of the Act. Proposed R 339.214 seeks to adopt by reference most of the sections of the ABC model rules for bare-knuckle fighting published in July 2024. Subsequent proposed rules R 339.222 and R 339.246c, were modeled after the ABC model rules but with alterations to adhere to the Michigan Unarmed Combat Regulatory Act.

Section 22(3) of the Act, MCL 338.3622(3), requires the department director to consult with the Commission before promulgating rules for the administration of the Act. The Chair of the Commission established a rules subcommittee to work on drafting this ruleset.

Section 22(4) of the Act, MCL 338.3622(4), requires the department director to promulgate rules to establish the following: Number and qualifications of ring officials; powers, duties, and compensation of ring officials; qualifications, activities, and responsibilities of licensees; license fees not provided for under the Act; any necessary standards to accommodate federally imposed mandates not directly conflicting with the Act; a list of enhancers and prohibited substances; and standards to protect the health and safety of unarmed combat contestants. Proposed rules 339.203a, 339.259, and 339.261 will clarify the qualifications and activities of licensed officials. All proposed rules seek to clarify the standards to protect the health and safety of unarmed combat contestants.

B. If these rules exceed a federal standard, please identify the federal standard or citation, describe why it is necessary that the proposed rules exceed the federal standard or law, and specify the costs and benefits arising out of the deviation.

Neither the existing rules nor the proposed rules exceed a federal standard.

2. Compare the proposed rules to standards in similarly situated states, based on geographic location, topography, natural resources, commonalities, or economic similarities.

Each state administers the regulation of unarmed combat events according to its own statutes and rules; some adopt ABC model rules in full, others establish state-specific rules for each sport. The Commission has typically promulgated rules specific to our state by modeling them after ABC model rules as well as other states. When developing R 339.214, the Commission looked to several states that already sanction, or were in the process of sanctioning, bare-knuckle fighting, specifically Arizona, Colorado, Florida, New Mexico, Nevada, and South Carolina. During the rule development, the ABC released a model ruleset for bare-knuckle fighting, and the Commission determined that the proposed rules should adopt these by reference as much as possible, and where necessary, emulate sanctioning standards from the aforementioned states. In particular, R 339.246c is in line with the bare-knuckle dress and protective gear standards of Arizona.

A. If the rules exceed standards in those states, please explain why and specify the costs and benefits arising out of the deviation.

The proposed rules do not exceed standards set in the neighboring Great Lakes states, Indiana, Illinois, Minnesota, Ohio, and Wisconsin, because those states do not currently permit bare-knuckle fighting events. (Please note that Indiana enacted legislation on April 30, 2025, that would begin the process of sanctioning bare-knuckle fighting). Therefore, Michigan will be a leader in the region in establishing rules of engagement for this emerging unarmed combat sport. This could be seen as a deviation from those states, and the benefits of that deviation are increased interest, opportunity, and participation in Michigan's unarmed combat industry, and most importantly, increased safety for fighters. There may be costs in the form of a more complex regulatory scheme for the department to administer, however, the recent additions of kickboxing and muay thai demonstrated the department's ability to adapt to the addition of new sport types.

3. Identify any laws, rules, and other legal requirements that may duplicate, overlap, or conflict with the proposed rules.

There are no known laws, rules, or other legal requirements that may duplicate, overlap, or conflict with the proposed rules.

A. Explain how the rules have been coordinated, to the extent practicable, with other federal, state, and local laws applicable to the same activity or subject matter. This section should include a discussion of the efforts undertaken by the agency to avoid or minimize duplication.

The proposed rules do not duplicate, overlap, or conflict with other federal, state, or local laws, rules, or other legal requirements.

Purpose and Objectives of the Rule(s)

4. Identify the behavior and frequency of behavior that the proposed rules are designed to alter.

Changes to R 339.202a are designed to alter late and last-minute paperwork submissions that make it difficult to complete the event approval process, and which the department encounters with most events that occur in the state.

Changes to R 339.203a are designed to alter the possible inexperience on the part of event officials that may not be fully versed in the rules of a particular sport type. This behavior poses a risk to the safety and welfare of fighters and the public if a call is not made appropriately.

Changes to R 339.261 are designed to alter the extent to which documents a matchmaker is reviewing are accurate and up-to-date, as the department currently encounters some challenges with reviewing fight records that may be out-of-date and sometimes inaccurate.

A. Estimate the change in the frequency of the targeted behavior expected from the proposed rules.

With the changes being proposed for R 339.202a, R 339.203a, and R 339.261, the department and Commission anticipate the targeted behaviors outlined to decrease. Changes to R 339.202a in particular, are expected to outright eliminate the behavior of late and last-minute submissions since the new requirement will be of not less than 2 business days.

Meanwhile, proposed R 339.203a and R 339.261 are expected to lead to less inexperience with officials and more accuracy in records, respectively.

B. Describe the difference between current behavior/practice and desired behavior/practice.

The difference between current behavior and desired behavior as it pertains to R 339.202a is the timeliness of paperwork submissions. As it pertains to R 339.203a, the difference is in the experience level of event officials and competency specific to each sport type. As it pertains to R 339.261, the difference is in the accuracy of information submitted.

C. What is the desired outcome?

The desired outcome of the proposed changes is to streamline the event approval process and increase the competency and experience of Michigan's event officials in each sport type, both of which the Commission hopes will lead to increased engagement in unarmed combat, and improved fighter safety and protection of the public welfare.

5. Identify the harm resulting from the behavior that the proposed rules are designed to alter and the likelihood that the harm will occur in the absence of the rule.

The harm resulting from the behavior that the proposed rules are designed to alter is the potential for fighters to get seriously injured should a matchmaking process occur hastily or inaccurately, or should an event official not be properly certified in the sport type that they are officiating.

Additionally, harm could be posed to the public if they witness a fighter get seriously injured in a traumatic way. The likelihood that these harms will occur in the absence of the proposed rules is significant. The Commission has occasionally witnessed these behaviors and received feedback about them, and this will continue to occur without the proposed rule changes going into effect.

A. What is the rationale for changing the rules instead of leaving them as currently written?

The rationale for changing the rules instead of leaving them as currently written is that the rules as currently written allow for the behaviors that the Commission would like to alter, and they do not provide enough clarity to the Act as it pertains to event official experience, paperwork submission, and event approvals.

6. Describe how the proposed rules protect the health, safety, and welfare of Michigan citizens while promoting a regulatory environment in Michigan that is the least burdensome alternative for those required to comply.

The proposed rules will protect the health, safety, and welfare of Michigan citizens by establishing clear responsibilities for promoters, event officials, and fighters, and by limiting the ability for bad actors to skirt around the regulatory scheme. For example, R 339.202a requiring that the department receive all the necessary medical examinations for fighters well in advance of a fight and that they are up to date, as well as R 339.246b creating consistency for glove weights and types, will ensure that fights are matched fairly, thus reducing the chances of severe injury. In addition, R 339.203a will clarify that event officials must obtain a certification to work an event. This will increase the expertise of Michigan's event officials, and ensure that they are not only skilled in the function of their roles, but that they are competent in the specific sports that they wish to officiate, increasing the safety of events by preventing an event official from officiating a sport type that they aren't versed in.

All of these rules were crafted with health, safety, and welfare in mind, while balancing the need to avoid an overly burdensome regulatory scheme. For instance, the Commission's decision to adopt much of the ABC unified rules for bare-knuckle fighting by reference was in part an effort to adhere to the guidance of industry experts at the Association and avoid establishing an overly burdensome regulatory scheme for the sport that could end up differing from other jurisdictions and therefore disincentivize fighters coming to fight in the state.

7. Describe any rules in the affected rule set that are obsolete or unnecessary and can be rescinded.

There are no rules in the rule set that are obsolete or unnecessary and can be rescinded.

Fiscal Impact on the Agency

Fiscal impact is an increase or decrease in expenditures from the current level of expenditures, i.e. hiring additional staff, higher contract costs, programming costs, changes in reimbursements rates, etc. over and above what is currently expended for that function. It does not include more intangible costs for benefits, such as opportunity costs, the value of time saved or lost, etc., unless those issues result in a measurable impact on expenditures.

8. Please provide the fiscal impact on the agency (an estimate of the cost of rule imposition or potential savings for the agency promulgating the rule).

The proposed rules will lead to a fiscal impact on the department in the form of updating the licensing system to add a new sport type. When the department last did this in 2023 to add muay thai and kickboxing, the system updates cost about \$60,000. Therefore, the department anticipates that to add bare-knuckle fighting to the licensing system, MiCLEAR, the cost will be approximately \$50,000. The rules may also lead to more time spent by the department in reviewing event and license applications as a result of a new sport being sanctioned under the Act. It is possible that depending on the extent of new workload, the department may need to seek adding a full-time employee to the licensing staff, which could lead to additional costs (A Departmental Analyst-12 is estimated at a cost of \$157,200).

There will likely be time saved, however, because of a streamlined and uniform paperwork submission system as outlined by R 339.202a and R 339.261. That is, because these proposed rules set clear deadlines and expectations for which documents must be submitted by fighters, managers, and promoters, the department will spend less time contacting individuals in search of missing documents or missed deadlines. This is time that can be spent elsewhere ensuring that the work of the department is completed timely, thus increasing the efficiency of the department.

9. Describe whether or not an agency appropriation has been made or a funding source provided for any expenditures associated with the proposed rules.

No appropriation to state or local governmental units has been made nor a funding source provided for any additional expenditures associated with the proposed rules.

10. Describe how the proposed rules are necessary and suitable to accomplish their purpose, in relationship to the burden(s) the rules place on individuals. Burdens may include fiscal or administrative burdens, or duplicative acts.

The proposed rules are necessary and suitable to accomplish the purpose of streamlining the event approval process, improving the safety of unarmed combat events, and sanctioning the emerging sport, bare-knuckle fighting. Changes to R 339.203 and R 339.203a will help streamline the event approval process by establishing more clearly the procedures that promoters, officials, and fighters must follow. Changes to R 339.202a will streamline the process by bringing uniformity to deadlines.

Changes to R 339.203a will improve the safety of events by increasing the experience of event officials in requiring a certification for each sport they officiate. Changes to R 339.104 will improve safety by clarifying the round lengths for kickboxing and muay thai. Changes to R 339.246b will improve safety by aligning glove weight requirements with jurisdictions and by ensuring that gloves are of equal weight and style for each contest. Proposed R 339.261a will improve safety by ensuring that contest results are uploaded correctly to BoxRec and Combat Registry, and that there may be no professionals fighting amateurs.

Proposed R 339.214, 339.222, and 339.246c will together allow for the sanctioning of bare-knuckle fighting.

The rules are necessary and suitable despite possible burdens placed on individuals because of the benefits to public safety and to the possible expansion of the industry in Michigan. For instance, while R 339.203a may increase the time and monetary burden on individuals who are event officials by requiring them to attain certifications in the sports they officiate, the Commission and department believe that the benefits to public safety in doing so greatly outweighs the burden to those individuals.

A. Despite the identified burden(s), identify how the requirements in the rules are still needed and reasonable compared to the burdens.

The time and monetary burden that may arise from R 339.203a on individuals who are event officials, which could range from \$0 to \$400, is outweighed by the need for all unarmed combat events to have trained officials competent in each specific sport type that they officiate, and to eliminate the chance of an official that is versed in one sport type to then officiate a sport type that they aren't, which could lead to bad calls and severe injury.

Impact on Other State or Local Governmental Units

11. Estimate any increase or decrease in revenues to other state or local governmental units (i.e. cities, counties, school districts) as a result of the rule. Estimate the cost increases or reductions for other state or local governmental units (i.e. cities, counties, school districts) as a result of the rule. Include the cost of equipment, supplies, labor, and increased administrative costs in both the initial imposition of the rule and any ongoing monitoring.

The Commission does not anticipate that there will be a direct increase or decrease in revenues to other state or local governmental units as a result of the proposed rules because the rules apply to licensees and unarmed combat events under the act. There are no estimated increases or decreases in costs for other state or local governmental units as a result of the proposed rules. The estimate would therefore be \$0. It is possible that the new ability to promote bare-knuckle fighting events in Michigan might result in indirect revenue generated by participants and spectators that attend them.

12. Discuss any program, service, duty, or responsibility imposed upon any city, county, town, village, or school district by the rules.

The proposed rules do not impose any program, service, duty, or responsibility upon any city, town, village, or school district.

A. Describe any actions that governmental units must take to be in compliance with the rules. This section should include items such as record keeping and reporting requirements or changing operational practices.

The Commission does not anticipate that governmental units need to take actions to be in compliance with the proposed rules.

13. Describe whether or not an appropriation to state or local governmental units has been made or a funding source provided for any additional expenditures associated with the proposed rules.

There has been no appropriation to state or local governmental units, nor a funding source provided associated with the proposed rules.

Rural Impact

14. In general, what impact will the rules have on rural areas?

The proposed rules will not have an impact specific to rural areas. Fighters, event officials, and promoters that may live in rural areas will be affected by the rules equally to all other licensees who live in urban and suburban areas of the state.

A. Describe the types of public or private interests in rural areas that will be affected by the rules.

Fighters, event officials, and promoters that may live in or operate out of rural areas will not be affected by the rules any differently than those who live in or operate out of other areas of the state.

Environmental Impact

15. Do the proposed rules have any impact on the environment? If yes, please explain.

There is no known impact on the environment as a result of the proposed rules.

Small Business Impact Statement

16. Describe whether and how the agency considered exempting small businesses from the proposed rules.

The Commission did not consider exempting small businesses from the proposed rules because the rules deal with the sanctioning of a new sport type and governs individuals not necessarily businesses. The proposed rules that implement event official training requirements and establish paperwork deadlines are applicable to all businesses no matter their size, ensuring that a larger business cannot use its greater resources or clout to skirt around them, which will therefore benefit a small business.

Where the rules affect businesses and small businesses the most would likely be promoters and organizations that conduct unarmed combat events. If these promoters and organizations constitute a small business as laid out in section 40 of the administrative procedures act, MCL 24.240, then exempting them from the safety standards in the proposed rules could lead to serious harm to fighters and pose health risks to the public. For instance, if a small business were exempt from getting their officials trained under R 339.203a, then the officials at their events could be less experienced in their specific sport, which could lead to bad calls or missed safety protocols. The Commission and the department, therefore, would be abdicating their duties to protect the health, safety, and welfare of the public and fighters if exemptions to small businesses were granted under the proposed rules.

17. If small businesses are not exempt, describe (a) the manner in which the agency reduced the economic impact of the proposed rules on small businesses, including a detailed recitation of the efforts of the agency to comply with the mandate to reduce the disproportionate impact of the rules upon small businesses as described below (in accordance with MCL 24.240(1)(a-d)), or (b) the reasons such a reduction was not lawful or feasible.

A reduction in the economic impact of the proposed rules on small businesses is not lawful or feasible because licensed event officials, fighters, promoters, and approved events, must comply with the act no matter their size. The Commission and the department have an obligation to protect the health, safety, and welfare of licensees and the public, and carving out exceptions to the rules for certain licensees or approved events would leave fighters, event officials, and the public susceptible to harm. While it is possible that a small business as defined by section 40 of the administrative procedures act, MCL 24.240, could be operating under the Act, the Act is administered evenly for all. Small businesses will benefit as a result of the rules establishing clear and uniform paperwork deadlines, training requirements, and new unarmed combat opportunities from the sanctioning of a new sport.

A. Identify and estimate the number of small businesses affected by the proposed rules and the probable effect on small businesses.

The Commission and the department do not collect data from promoters or event organizations that would note the number of employees, revenues, or other means by which a small business is defined under section 40 of the administrative procedures act, MCL 24.240. As of May 2025, there are 120 licensed event officials, 20 promoters, and 677 licensed fighters. Some of these licensees could fall under the definition of a small business, but the department does not have access to qualifying data. A small business would be affected by these rules in the same manner as larger businesses.

B. Describe how the agency established differing compliance or reporting requirements or timetables for small businesses under the rules after projecting the required reporting, record-keeping, and other administrative costs.

The Commission did not establish different compliance or reporting requirements or timetables for small businesses under the rules. It was determined that all actors in the industry must be operating under the same compliance or reporting requirements or timetables to ensure that the health, safety, and welfare of fighters and the public are protected. For instance, allowing a small business to have a more relaxed timetable for submitting event paperwork under R 339.202a could lead to last-minute compromises in safety standards to ensure the event still takes place.

C. Describe how the agency consolidated or simplified the compliance and reporting requirements for small businesses and identify the skills necessary to comply with the reporting requirements.

The Commission and department did not consolidate or simplify the compliance and reporting requirements for small businesses as it would compromise the health, safety, and welfare of fighters and the public to do so.

D. Describe how the agency established performance standards to replace design or operation standards required by the proposed rules.

The Commission and department did not establish performance standards to replace design or operation standards required by the proposed rules.

18. Identify any disproportionate impact the proposed rules may have on small businesses because of their size or geographic location.

The proposed rules will not have a disproportionate impact on small businesses because of their size or geographic location.

19. Identify the nature of any report and the estimated cost of its preparation by small businesses required to comply with the proposed rules.

The proposed rules do not establish any new reporting requirements that would increase burdens on small businesses in trying to comply.

20. Analyze the costs of compliance for all small businesses affected by the proposed rules, including costs of equipment, supplies, labor, and increased administrative costs.

The proposed rules do not establish any new costs of compliance specifically on small businesses. A small business may, however, experience the same costs as other businesses that put on unarmed combat events or employ licensed officials. The costs could range from \$0 to \$400 if a business decides to pay for the required training sessions of an individual employee. If the small business has multiple employees who are required to seek training, this cost would increase with the number of employees that the small business decides to cover costs for. It is important to note that the proposed rules do not mandate that a small business cover these training costs, but it is possible that they may choose to do so.

21. Identify the nature and estimated cost of any legal, consulting, or accounting services that small businesses would incur in complying with the proposed rules.

The Commission and department are unaware of any new legal, consulting, or accounting services costs on small businesses that would arise from the proposed rules.

22. Estimate the ability of small businesses to absorb the costs without suffering economic harm and without adversely affecting competition in the marketplace.

The proposed rules do not establish any new explicit costs of compliance on small businesses that would cause them economic harm or adversely affect competition in the marketplace. If a small business chooses to cover the costs of training for an individual to become licensed as an event official, the cost may range from \$0 to \$400 per individual. The small business may choose not to cover this, however, and the cost estimate would then be an individual's responsibility. Since the proposed rules would apply evenly across all licensees and for all businesses no matter their size, competition in the marketplace would remain intact. A small business could choose to absorb the cost estimate of the event official training sessions, or do without and incur no costs as a result of the rules. The Commission and department believe that the proposed rules sanctioning bare-knuckle fighting will increase competition in the unarmed combat industry and establish more opportunities for all businesses, including small businesses.

23. Estimate the cost, if any, to the agency of administering or enforcing a rule that exempts or sets lesser standards for compliance by small businesses.

The proposed rules do not set a lesser standard for compliance by small businesses, and therefore the Commission and department will not incur any associated costs. If the Commission and department were to set lesser standards for small businesses, this would cost the department in the form of time spent administering the act and rules for two separate groups, essentially adding an entirely new regulatory scheme to the department's workload. That is, if the department were to administer one standard for small businesses, and one for larger, staff would have to spend more time on the unarmed combat licensing program, possibly using separate forms. The cost could manifest in the form of staff pay. For instance, if a department official were to make \$22 an hour, and needed to devote 10 additional hours per week enforcing the act and rules unevenly than they would as it currently stands, the cost for that uneven administration could be estimated to be \$220 per week. That time would be taken away from other tasks and licensing programs, and over time could necessitate the hiring of additional staff to handle the workload, incurring even more costs to the department. Costs could also manifest in the form of updates to forms and the licensing software, MiClear if a small business were exempt from licensing and enforcement standards set forth in the rules since much of the licensing work is conducted either through, or with the assistance of, that software. The department does not have an explicit cost estimate for such an update, but it would likely be in the thousands of dollars.

24. Identify the impact on the public interest of exempting or setting lesser standards of compliance for small businesses.

The public interest would be hurt if the proposed rules set lesser standards of compliance for small businesses. Primarily, it could lead to safety issues if small businesses did not have to have certified officials at events or abide by changes to round length and glove weight rules. It would also lead to inefficiency at the department if small businesses were exempt from the new paperwork deadlines. This would in turn hurt the public interest in that the department would be devoting more time to chasing down paperwork and information while that time could be used in protecting the public on other aspects of this licensing program or other licensing programs.

25. Describe whether and how the agency has involved small businesses in the development of the proposed rules.

Small businesses were not directly involved in the development of the rules, however, members of the Commission that were involved represent the industry, the public, and some have experience as small business owners, and would be able to offer advice from the perspective of a small business owner.

A. If small businesses were involved in the development of the rules, please identify the business(es).

Small businesses were not involved in the development of the rules.

Cost-Benefit Analysis of Rules (independent of statutory impact)

26. Estimate the actual statewide compliance costs of the rule amendments on businesses or groups.

R 339.203a may lead to compliance costs for businesses or groups that put on unarmed combat events or employ licensed officials. These costs may vary anywhere from \$0 to \$400 in the form of a single training session (For examples, see: <https://www.abcboxing.com/product-category/officials-training-registration/>). Should a business or group be the ones covering the costs of said training, this compliance cost could vary depending on how many trainings they pay for. As an example, should a business pay for the training sessions of 5 officials at a cost of \$200 each, the cost of compliance with this rule could be \$1000. Please note, however, that this cost may be the responsibility of individual licensees, not necessarily a business or group. Though, a business or group may choose to cover these costs. The Commission and department do not anticipate any additional costs associated with new paperwork deadlines set forth in the rules. The estimated compliance cost of the paperwork deadlines for businesses or groups would therefore be \$0.

A. Identify the businesses or groups who will be directly affected by, bear the cost of, or directly benefit from the proposed rules.

Businesses or groups who will be directly affected by, bear the cost of, and directly benefit from the proposed rules include promoters of unarmed combat events, state and national unarmed combat organizations representing the sport types, and local gyms or venues where events are held.

B. What additional costs will be imposed on businesses and other groups as a result of these proposed rules (i.e. new equipment, supplies, labor, accounting, or recordkeeping)? Please identify the types and number of businesses and groups. Be sure to quantify how each entity will be affected.

Businesses or groups that promote unarmed combat events may incur additional costs because of proposed R 339.203a to train event officials in the specific sport types that they wish to officiate. This cost could range from \$0 to \$400, but it is a cost that is not necessarily the responsibility of businesses or groups, though they may choose to pay for an individual's training. The Commission and department do not anticipate that businesses or groups would incur additional costs in the form of new equipment, supplies, labor, accounting, or recordkeeping, as the rules do not establish new filings or reports, and businesses or groups involved in the industry already operate with set costs of doing business and these rules are not anticipated to add to that. The proposed rules regarding new paperwork deadlines are not anticipated to incur any new costs for businesses or other groups. As of May 2025, there are 21 licensed promoters in Michigan, some of which may be a business or group that could incur cost.

27. Estimate the actual statewide compliance costs of the proposed rules on individuals (regulated individuals or the public). Include the costs of education, training, application fees, examination fees, license fees, new equipment, supplies, labor, accounting, or recordkeeping.

R 339.203a will lead to compliance costs for individuals who are seeking to be licensed event officials. These costs may vary anywhere from \$0 to \$400 in the form of a single training session (For examples, see: <https://www.abcbboxing.com/product-category/officials-training-registration/>). The actual statewide compliance cost, therefore, may be anywhere from \$0 to \$48,800 if all currently licensed officials need to complete training (122 licensed officials x \$400 each = \$48,800 total).

A. How many and what category of individuals will be affected by the rules?

The individuals that will be affected by the rules are licensed event officials, licensed fighters, promoters that are individuals, and ringside physicians that are required to be present at events. As of May 2025, there are 122 licensed officials, 712 licensed fighters (both amateur and professional), and 21 promoters, some of whom may be individuals.

B. What qualitative and quantitative impact do the proposed changes in rules have on these individuals?

The proposed rules will have the qualitative impact of more experienced licensed officials (R 339.203a), improved safety for fighters during a bout (R 339.104, R 339.104a, R 339.201, R 339.203a, R 339.246b, R 339.246c, R 339.261a), and a more streamlined approval process for all individuals (R 339.202a, R 339.203, R 339.261).

Quantitative impacts could be in the form of these individuals needing to submit paperwork sooner than they may have in the past (R 339.202a), and an increase in the number of opportunities to participate in unarmed combat events (R 339.214, R 339.222) by sanctioning a new sport type.

28. Quantify any cost reductions to businesses, individuals, groups of individuals, or governmental units as a result of the proposed rules.

The Commission and department did not identify any explicit cost reductions to businesses, individuals, groups of individuals, or governmental units as a result of the proposed rules, however, R 339.202a, R 339.203, and R 339.261 are all anticipated to streamline the licensing and event approval process which could lead to cost reductions in the form of saved time for both the department and applicants.

29. Estimate the primary and direct benefits and any secondary or indirect benefits of the proposed rules. Please provide both quantitative and qualitative information, as well as your assumptions.

The Commission sees direct benefits to the unarmed combat industry in sanctioning bare-knuckle fighting with proposed R 339.214, R 339.222, and R 339.246c, in the form of increased interest in unarmed combat, more opportunities to engage in a new sport, and ideally more sanctioned events in the state. This could then lead to an indirect benefit of the proposed rules in the form of an increase in the number of licensed fighters, officials, and promoters.

Proposed R 339.104a will have the direct benefit of allowing for only one event to be held in the state on a single day should there be a shortage of officials to work the event, which will have the indirect benefit of increased safety by ensuring that each event is properly staffed.

Proposed R 339.203a will have the direct benefit of increasing the expertise and competency of event officials in the state, and may lead to an indirect benefit in the form of increased safety for fighters and the public.

Proposed R 339.261a will have the direct benefit of ensuring that a professional fighter in one sport may not compete as an amateur in another, which may then have the indirect benefit of ensuring safety and fairness in bouts.

30. Explain how the proposed rules will impact business growth and job creation (or elimination) in Michigan.

The proposed rules may impact business growth or job creation. The Commission anticipates that the sanctioning of bare-knuckle fighting in these rules will attract the promotion of new events in the state that fosters growth and job creation in the unarmed combat industry. The event official training requirements established by these rules is anticipated to attract interest in the industry within the state, and welcome outside organizations that conduct training to invest in and work here. The rules are not anticipated to have an impact on job elimination in Michigan.

31. Identify any individuals or businesses who will be disproportionately affected by the rules as a result of their industrial sector, segment of the public, business size, or geographic location.

The proposed rules will not disproportionately impact any individuals or businesses as a result of their industrial sector, segment of the public, business size, or geographic location.

32. Identify the sources the agency relied upon in compiling the regulatory impact statement, including the methodology utilized in determining the existence and extent of the impact of the proposed rules and a cost-benefit analysis of the proposed rules.

The Chair of the Commission convened a rules subcommittee of the Commission to complete the rulemaking project alongside the department. Information relating to the number of licensees under the Act was acquired through the Corporations, Securities, and Commercial Licensing Bureau licensing database. The cost and numbers were generated based on licensing information and reviewing the proposed rules and the Act. The Commission also engaged with regulatory bodies in other jurisdictions throughout the rulemaking process to help inform decisions, particularly as it related to the sanctioning of bare-knuckle fighting. Third-party websites and sources were also consulted to learn more about the history of bare-knuckle fighting.

Sources:

Association of Boxing Commissions (ABC): <https://www.abcboxing.com/>

Arizona Department of Gaming: <https://gaming.az.gov/>

Bare Knuckle Fighting Championship: <https://www.bkfc.com/>

Colorado Office of Combative Sports: <https://dpo.colorado.gov/CombativeSports>

Indiana State Legislature: <https://iga.in.gov/legislative/2025/bills/house/1073/details>

Wisconsin Department of Safety and Professional Sports:

<https://dsps.wi.gov/Pages/Professions/UnarmedCombatSports/Default.aspx>

Illinois Department of Financial and Professional Regulation: <https://idfpr.illinois.gov/profs/athletics.html>

Florida Athletic Commission: <https://www2.myfloridalicense.com/athletic-commission/>

Minnesota Office of Combative Sports: <https://www.dli.mn.gov/ocs>

Nevada Athletic Commission: <https://boxing.nv.gov/>

New Mexico Athletic Commission: <https://www.rld.nm.gov/boards-and-commissions/individual-boards-and-commissions/athletic-commission/>

Ohio Athletic Commission: <https://aco.ohio.gov/laws-and-rules/welcome>

South Carolina Athletic Commission: <https://llr.sc.gov/ath/pub.aspx>

<https://www.strengthfighter.com/the-evolution-of-bare-knuckle-boxing-from-early-brawls-to-bkfc/>

<https://historyofbkb.weebly.com/the-history-of-bkb.html>

<https://vault.si.com/vault/1961/02/20/the-bareknuckle-legacy-of-boxing>

A. How were estimates made, and what were your assumptions? Include internal and external sources, published reports, information provided by associations or organizations, etc., that demonstrate a need for the proposed rules.

Estimates and assumptions were made by reviewing the Act, the proposed rules, the ABC model rules, other jurisdictions' rules, and seeking the advice of members of the Unarmed Combat Commission with relevant industry experience. Any numbers generated for the regulatory impact statement were extracted from the Corporations, Securities and Commercial Licensing Bureau's licensing database.

Alternative to Regulation

33. Identify any reasonable alternatives to the proposed rules that would achieve the same or similar goals.

There are no reasonable alternatives to the proposed rules identified that would achieve the same or similar goals.

A. Please include any statutory amendments that may be necessary to achieve such alternatives.

There are no statutory amendments that may be necessary to achieve the same or similar goals. The Commission has in the past supported legislative fixes to the Michigan Unarmed Combat Regulatory Act, most notably HB 5156 of 2023. This bill would have permitted third-party sanctioning bodies to sanction unarmed combat events in the state, would have added the licensure of seconds as officials, and transferred certain responsibilities away from promoters and onto the Commission. The Commission still supports the content of that bill, but HB 5156 would not accomplish the goals of this proposed rule set.

34. Discuss the feasibility of establishing a regulatory program similar to that proposed in the rules that would operate through private market-based mechanisms. Please include a discussion of private market-based systems utilized by other states.

The Commission is unaware of similar programs or private market-based systems in other states, and federal law imposes some restrictions for professional boxing contests or events.

35. Discuss all significant alternatives the agency considered during rule development and why they were not incorporated into the rules. This section should include ideas considered both during internal discussions and discussions with stakeholders, affected parties, or advisory groups.

The Commission and department did not consider significant alternatives during the rule development because the sanctioning of additional unarmed combat sports is only permitted under the Act via rule and by adoption by reference of the ABC model rules.

Additional Information

36. As required by MCL 24.245b(1)(c), please describe any instructions regarding the method of complying with the rules, if applicable.

There are no specific instructions or methods of complying with the rules. The Commission believes that the rules make plain what is required of promoters, contestants, and officials who conduct or participate in unarmed combat events that take place under the regulatory structure of the Act. Should these rules go into effect, questions relating to compliance with the rules should be addressed to the Commission or the department. If necessary, changes will be made to event and licensing forms and instructions once the rules are promulgated. In addition, notice and a summary of the changes will be posted to the Commission's website, <https://www.michigan.gov/lara/bureau-list/ucc>. Finally, the ABC website on unified rules may be consulted, <https://www.abcboxing.com/unified-rules/>.