



# Virginia Department of Planning and Budget **Economic Impact Analysis**

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**18 VAC 120-40 Professional Boxing and Wrestling Event Regulations**  
**Department of Professional and Occupational Regulation**  
**Town Hall Action/Stage: 6654 / 10590**  
December 18, 2024

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The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order 19. The analysis presented below represents DPB’s best estimate of the potential economic impacts as of the date of this analysis.<sup>1</sup>

## **Summary of the Proposed Amendments to Regulation**

The Department of Professional and Occupational Regulation (DPOR) proposes to no longer require that boxers who weigh-in 24 hours prior to the scheduled event also re-weigh two hours prior to the event’s scheduled start time.

## **Background**

Under the current regulation, boxers are weighed in 24 hours before the event start time and are required to meet their contracted weight. The boxers are then re-weighed two hours before the event start time and must not then exceed the weight specified in the contract by more than 10 pounds.

According to DPOR, it is a common practice of boxers to reduce weight (by dehydrating and other means) before weigh-in to meet the weight specified in their contract. As a result, a boxer at weigh-in is often very dehydrated. After meeting the required weight, a boxer will rehydrate to gain back strength and weight. The rehydration/weight gain can sometimes be more

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<sup>1</sup> Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the analysis should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

than 10 pounds, thereby resulting in the boxer being out of compliance with the current re-weigh requirements in the regulation. However, if a boxer is not permitted to sufficiently rehydrate and potentially exceed the 10-pound restriction, the boxer's health may be at risk.

After input from the public, boxers, promoters and other boxing commissions, the Boxing, Martial Arts, and Professional Wrestling Advisory Board determined that the second weigh-in requirement in the regulation creates potential adverse effects on the health of boxers and is not necessary. Also, DPOR staff determined that the nationally recognized practice was to have one weigh-in the day before the event. DPOR reports that this practice is followed by neighboring and nearby states (Maryland, North Carolina, South Carolina, Pennsylvania, and New Jersey), which only require the one weigh-in the day before the event.

### **Estimated Benefits and Costs**

As described above, no longer requiring that boxers have a second weigh-in two hours before the event would likely be beneficial in that it could reduce health risk to boxers by allowing them to fully hydrate. The proposed change does not appear to introduce costs.

### **Businesses and Other Entities Affected**

As of November 1, 2024, there were 91 boxers, 31 promoters, 186 trainers/cutmen, three managers, 31 matchmakers, and four boxing events licensed in the Commonwealth, all of which could be directly or indirectly affected by the proposed change.<sup>2</sup>

The Code requires DPB to assess whether an adverse impact may result from the proposed regulation.<sup>3</sup> An adverse impact is indicated if there is any increase in net cost or reduction in net benefit for any entity, even if the benefits exceed the costs for all entities combined.<sup>4</sup> As the proposed amendment neither increases net cost nor reduces net benefit, no adverse impact is indicated.

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<sup>2</sup> Data source: DPOR

<sup>3</sup> Pursuant to Code § 2.2-4007.04(D): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance.

<sup>4</sup> Statute does not define "adverse impact," state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation. As a result, DPB has adopted a definition of adverse impact that assesses changes in net costs and benefits for each affected Virginia entity that directly results from discretionary changes to the regulation.

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### **Small Businesses<sup>5</sup> Affected:<sup>6</sup>**

The proposed amendment does not adversely affect small businesses.

### **Localities<sup>7</sup> Affected<sup>8</sup>**

The proposed amendment neither disproportionately affect particular localities, nor increases costs for local governments.

### **Projected Impact on Employment**

The proposed amendment does not appear to affect total employment.

### **Effects on the Use and Value of Private Property**

The proposed amendment does not appear to substantively affect the use and value of private property. The proposed amendment does not affect real estate development costs.

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<sup>5</sup> Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

<sup>6</sup> If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.

<sup>7</sup> “Locality” can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

<sup>8</sup> § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.