



June 15, 2016

The Honorable John Kline
Committee on Education and the Workforce
U.S. House of Representatives
2176 Rayburn House Office Building
Washington, DC 20515

The Honorable Fred Upton
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, D.C. 20515

Re: Oppose H.R. 5365, the "Muhammad Ali Expansion Act"

Dear Chairmen Kline and Upton:

We write in strong opposition to H.R.5365, the "Muhammad Ali Expansion Act," legislation introduced by Rep. Markwayne Mullin to regulate mixed martial arts (MMA), which is one of the most popular sports in the U.S. and fastest growing throughout the world. This misguided legislation is yet another unfortunate and unneeded regulatory power grab that will stifle the dynamic innovation and success of MMA.

This legislation, among its many faults, tramples the traditional prerogatives of the states to regulate contracts and sporting events and is of dubious constitutionality. And, what can only be viewed as bizarre, the bill would enlist government bureaucrats to rank fighters and conduct matchmaking which is currently done exceptionally well by the private sector.

The nation faces many daunting challenges including a national debt that is approaching \$20 trillion, a stagnating economy and wages, skyrocketing Obamacare costs, and terrorist enemies who seek to end our very existence. Federally regulating the MMA market, which is not broken and represents a true American success story, should not be given any serious attention by lawmakers.

MMA was not an overnight success. The American entrepreneurial spirit overcame numerous challenges to position it as a thriving well-regarded international sport. Because of its success, there are numerous fighters who have made millions in a sport that barely existed 15 years ago, thousands of jobs have been created and supported, and states and municipalities have enjoyed the benefits of increased economic activity and tax revenue. Regulators throughout the U.S. and the world have adopted unified rules of MMA which ensures fair fights as well as predictable, transparent, and fair regulatory treatment. Because of the growing popularity of the sport, there are several MMA promoters who compete vigorously for talent and fans. This thriving free market should not be impeded by regulatory tinkerers on Capitol Hill.

One of the most troubling aspects of the Mullin bill is that it removes from the promoter the decision how fighters are ranked and when and against whom fighters are matched. From all accounts, the free market is not disappointing MMA fans. Promoters have every incentive, economic and reputational, to arrange the bouts that fans want to watch; and those same fans, reporters, and athletes will hold promoters accountable if they fail to appropriately match fighters. Why Rep. Mullin believes government matchmaking would be superior to the current free market system is unclear. What is clear is that the system is not broken, and H.R. 5365 is a solution in search of a problem.

This legislation also tramples the principles embodied in Article 1 and the 10th Amendment of the Constitution. Congress can't delegate its legislative authority to a private entity to write rules intended to be adopted by agencies of state governments. Incredibly, H.R. 5365 does just that. It directs a private entity (the Association of Boxing Commissions) to write regulations to be adopted by state boxing commissions. We have long been concerned about Congress' bad habit of delegating broad unaccountable authority to federal regulatory agencies. Rep. Mullin's idea takes this bad idea several steps further. He would delegate broad unaccountable authority to a private entity and have state agencies adopt those regulations. This is an affront to our constitutional order.

Finally, we are deeply concerned about the growing federal regulatory leviathan. It regulates our lives in countless intrusive and burdensome ways. According to the Mercatus Center, economic growth in the U.S. has been slowed by 0.8 percent per year since 1980 which means, had regulation held constant from 1980 through 2012, the U.S. economy would be 25 percent larger – a delta of \$4 trillion – which amounts to a benefit of \$13,000 per person in the United States. More importantly, a \$4 trillion increase in GDP would create, literally, millions of jobs—potentially wiping out unemployment for those both in and out of the workforce!

The American people are tired of business as usual in Washington and are not clamoring for more regulation on the private economy, including MMA. Instead, Congress should reject H.R. 5365 and focus on constitutional policies that reduce regulations, establish favorable economic conditions, balance the budget, and keep the American people safe.

Sincerely,

George Landrith, President and CEO
Frontiers of Freedom

Andrew Langer, President
Institute for Liberty

Morton Blackwell, Chairman
The Weyrich Lunch

James L. Martin, Chairman
60 Plus Association

Matt Schlapp, Chairman
American Conservative Union

Phil Kerpen, President
American Commitment

David Williams, President
Taxpayers Protection Alliance

Seton Motley, President
Less Government

Melissa Ortiz, President
Able Americans

Carrie Lukas, Managing Director
Independent Women's Voice

Heather R. Higgins, President and CEO
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David Ridenour, President
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Alex St. James, National Executive Director
One Day in America

Daniel Schneider, Executive Director
American Conservative Union

Larry Cirignano, DC Representative
Children First Foundation

Rusty Weiss, Founder
Mental Recession

Cameron Gray, Author
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Norm Singleton, Senior Vice President
Campaign for Liberty

Matthew Nye, Chairman,
Republican Liberty Caucus