



## **Statement of Ginny Kozlowski Executive Director of the Connecticut Lodging Association in support of HB 5277**

**Thursday, February 7<sup>th</sup>, 2013**

Dear Senator Hartley, Representative Dargan, ranking members and members of the public safety committee,

The Connecticut Lodging Association is submitting this statement in support HB 5277 An Act Legalizing and Regulating Mixed Martial Arts currently under consideration by the Public Safety.

The hotel and lodging industry works together with state government and a variety of attractions to build and market Connecticut as a destination for travel on a vast array travel experiences. It is the industry's position to support the development of new attractions and build on the excitement of what Connecticut has to offer. In the end this supports the millions of dollars our members large and small have invested in their business and the thousands of employees working in the lodging business in Connecticut.

This legislation is consistent with the recognition that sports are an essential and growing opportunity for the development of tourism.

The bill would legalize mixed martial arts, subject to regulation by the Department of Public Safety (DPS). The bill subjects the sport to the same laws governing boxing.

Economic projection from the XL Center alone estimate a spin-off of revenues for hotels, restaurants, parking etc. to the city at around \$750,000 or more. The XL Center estimates that the 5% revenue to the state could be as high as \$350,000 per XL event. Costs to host events are passed on to the promoters so the impact to the state is negligible. The City of Bridgeport and the Harbor Yards Arena would also receive economic benefits if the legislation is enacted.

Mixed martial arts ("MMA") is an evolving combat sport in which competitors use interdisciplinary forms of fighting that include jiu-jitsu, judo, karate, boxing, kickboxing, wrestling and others to their strategic and tactical advantage in a supervised match. Scoring for mixed martial arts events is based on athletic-commission approved definitions and rules.



Revenue to the state – In addition to the licensing and registration fees, the bill imposes a 5% tax on promoters and sponsors of each martial arts match. The tax, which is on the gross receipts from admissions, after federal taxes have been deducted, must be paid into the State Treasury.

The bill requires sponsors and promoters, within 24 hours after a match ends, to give the commissioner a written, verified report. The report must state the number of tickets sold for the match or exhibition, gross receipts, and any other information the commissioner prescribes. The fiscal note should show a positive revenue impact to the state; it should also reflect the increased revenues that the state will realize in restaurant, hotel, and other revenue-raising activities.

Market studies in Massachusetts and upstate New York, indicating that the revenue to Connecticut would be in the neighborhood of \$250,000 - \$350,000 per match.