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PERSPECTIVES ON MIXED MARTIAL ARTS

THURSDAY, NOVEMBER 9, 2017

House of Representatives,

Subcommittee on Digital Commerce and Consumer Protection,

Committee on Energy and Commerce,

Washington, D.C.

The subcommittee met, pursuant to call, at 10:00 a.m., in Room 2123, Rayburn House Office Building, Hon. Robert Latta, [chairman of the subcommittee] presiding.

Present: Representatives Latta, Harper, Burgess, Lance, Guthrie, Bilirakis, Bucshon, Mullin, Walters, Costello, Duncan, Schakowsky, Lujan, Welch, Kennedy, Green, and Pallone (ex officio).

Staff Present: Kelly Collins, Staff Assistant; Zachary Dareshori, Staff Assistant; Melissa Froelich, Chief Counsel, DCCP; Adam Fromm, Director of Outreach and Coalitions; Ali Fulling,

Legislative Clerk, O&I, DCCP; Elena Hernandez, Press Secretary; Zach Hunter, Director of Communications; Paul Jackson, Professional Staff, DCCP; Bijan Koohmaraie, Counsel DCCP; Katie McKeogh, Press Assistant; Alex Miller, Video Production Aide and Press Assistant; Madeline Vey, Policy Coordinator, DCCP; Jessica Wilkerson, Professional Staff, O&I; Greg Zerzan, Counsel DCCP; Michelle Ash, Minority Chief Counsel, Digital Commerce and Consumer Protection; Jeff Carroll, Minority Staff Director; Lisa Goldman, Minority Counsel; Caroline Paris-Behr, Minority Policy Analyst; and C.J. Young, Minority Press Secretary

Mr. Latta. Good morning. I would like to call the Subcommittee on Digital Commerce and Consumer Protection to order. And the chair now recognizes himself for 5 minutes for an opening statement.

Good morning, and thank you to our witnesses for being here to discuss the mixed martial arts, or MMA, this morning. This sport has enjoyed tremendous success since its beginnings in the 1990s. I would like to thank my colleague from Oklahoma, Mr. Mullin, for his continued work on this issue in promoting safety for fighters. I look forward to learning more this morning about MMA and Mr. Mullin's legislation as we hear the testimony this morning.

The history of mixed martial arts goes back to Ancient Greece when the first Olympians in the 7th century B.C. fought. Today's MMA is far more regulated. All 50 States permit the sport, subject to rules governing issues like banned substances, equipment requirements, round length, weight classes, and allowing referees and physicians to hock a fight to protect the competitors. In some ways, MMA is regulated in a similar matter to boxing. However, there are differences.

We look forward to hearing more about how MMA operates and is regulated today. Mixed martial arts competitions are held throughout the United States under the banner of both professional and amateur sponsors. The unified rules of mixed martial arts have been adopted by the largest organizers and regulators, including the Ultimate Fighting Championship, Bellator, and the Association of Boxing Commissions and Combative Sports.

The rules include requirements for the fighting area, equipment,

how fights are to be judged, the use of gloves, mouthpieces, and the prohibition of certain tactics like biting and gouging. MMA includes both men's and women's divisions, and in both cases, the champions of the sport have become internationally known celebrities.

Nothing else rates this point more clearly than the recent boxing match between MMA champion Conor McGregor and boxer Floyd Mayweather, Jr., which reportedly drew hundreds of millions of viewers around the globe, including a near record number of pay-per-view purchases and nearly 27 million social media interactions.

MMA has gone through many changes in its comparatively short time, as a high-profile American sport. At the hearing today, we will hear testimony about how the sport is regulated, how competitors and promoters are compensated, and what it takes to compete at a high level. We will hear about what State regulators are doing to ensure fighter safety and learn more about how it has become one of America's fastest growing sports.

I thank our witnesses for joining us today, and I look forward to your testimony. At this time, I will yield to the gentleman from Oklahoma.

[The prepared statement of Mr. Latta follows:]

***** COMMITTEE INSERT *****

Mr. Mullin. Thank you, Mr. Chairman.

And thank you for allowing us to have this legislative hearing on H.R. 44, the Muhammad Ali Expansion Act, and learn more about this growing industry.

Many times we get asked the question, why is Congress involved in this? Well, it is the same reason why we got involved in boxing with the Muhammad Ali Act. Right now, we have actors that are acting like the Don King of the MMA world. MMA has become an interstate commerce. Congress has the responsibility when we are talking about commerce moving across State lines. MMA is supposed to be a professional sport, much like NFL, the MLB, and the NBA. But, without a merit-based ranking system, then how is it going to be any more than a WWE?

Right now, we have a ranking system that is based more on market and marketing value than it is merit based. In the UFC history, we see more and more fights being not fought for title fights but simply a trophy. And when you have a number one ranked individual not fighting for the title shot, but you have in the last three fights -- Bisping versus Luke for the title fight at 185 pounds, you had number four, Bisping, fighting for the title. The first defending was against Dan Henderson for Bisping, who wasn't even in the top 10.

And then, just recently, this weekend, you had a retired fighter of 4 years that had had the belt at 170 pounds, but came out in his first professional fight in 4 years, fight for the title shot, at 185 pounds. How is that a merit-based system? How can we sit there and

honestly say to the consumers that are spending millions of dollars with a professional sport, or what they perceive to be, when they are using a ranking system that is not merit-based?

The UFC is an interstate commerce industry now. Congress does have a role to oversee and to make sure that the consumers know the product to which they are buying. As I said before, there is a reason why Congress stepped up and kept people like Don King from manipulating fighters in the boxing world -- if it was good enough for boxing, then it should be good enough for other combative sports, such as MMA.

This legislation is about protecting the fighters and sustaining -- sustaining a sport to which I love, which I have gave blood and sweat and have dedicated a tremendous amount of time to. We want to see this sport sustainable for future generations, and the Muhammad Ali Expansion Act does just that.

So I look forward to hearing our witnesses, and I appreciate your all's time, and I appreciate the opportunity that the committee has given me here.

And I yield back.

[The prepared statement of Mr. Mullin follows:]

***** COMMITTEE INSERT *****

Mr. Latta. Thank you very much.

And the gentleman yields back.

At this time, the chair now recognizes the ranking member of the subcommittee, the gentlelady from Illinois, for 5 minutes.

Ms. Schakowsky. Thank you, Mr. Chairman.

I was new to MMA when we had our first hearing on the subject a year ago. I have learned a lot since then. I actually did some research for today's hearing. I watched a few highlighted videos of UFC fights. They were a little bloody, more bloody than I would like for my taste. I don't think I am going to become a regular viewer, but I know a lot of people like it and are involved in the sport.

I have also met with several MMA fighters. First of all, what they seem -- what they do seems absolutely crazy to me. But if they are going to fight, I believe they should be able to negotiate for higher pay, improved safety, and working conditions, and have more control over themselves.

Congressman Mullin and I come to this issue from different perspectives. He was an MMA fighter. I am a long-time advocate for safety and labor rights, and today that puts us on the same side. I am proud to join him as a cosponsor H.R. 44, the Muhammad Ali Expansion Act.

And now that we are holding our second MMA hearing in 12 months, I think our subcommittee is ready to advance the Muhammad Ali Expansion Act.

I expect that the bill would get strong bipartisan support in a

markup. I am happy to talk with Congressman Mullin and Chairman Latta about a path forward for this legislation. Negotiating power for fighters is interlinked with safety. If you only get paid when you enter the octagon, you feel pressure to fight through an injury, putting yourself at greater risk.

UFC encourages hard hits to the head by paying out bonuses to fighters who win by knockouts or a technical knockout. It might make sense for good TV, but it also puts fighters at greater risk of traumatic brain injury. Fighters have to secure their own health insurance, and low pay may push fighters to sign on for more fights in a year than is best for their long-term health.

Brain injuries are a real risk for MMA fighters. Last year, Jordan Parsons became the first MMA fighter to be diagnosed with chronic traumatic encephalopathy, or CTE. He died at 25 years old. CTE is not a new subject for this subcommittee. We discussed it in the football context at a forum last year, and 11 months ago, Dr. Ann McKee of Boston University testified about CTE risks in our previous hearing on MMA.

I look forward to continuing our examination of brain injury risks with Dr. Kristen Dams-O'Connor from Mount Sinai. Her research has focused on the long-term outcome of people who suffer traumatic brain injuries. Very relevant to types of -- the types of injuries we see in MMA. Fighters should know the risks when they enter the ring, and organizers should want to change the rules and incentives to mitigate that risk in the first place.

I especially worry about young fighters who can experience traumatic brain injury while their brains are still developing. Today, I want to hear specific suggestions for how to make MMA safer for its young participants. Our discussion of safety really comes down to the future of the sport.

We have seen a steep drop in youth participation in football as more parents learn the risks of CTE. MMA has had a rise in popularity in recent years, but that could be jeopardized if athletes' parents and family members decide the risk is too much.

Finally, I want to raise the issue of domestic violence. In 2015, HBO reported that the rate of domestic violence among MMA fighters is double the rate of the general population. We have seen multiple instances of athletes with -- with athletes' histories of domestic violence being welcomed into the sport. Domestic violence cannot be accepted as normal. I hope all actors in the industry take this problem seriously.

I do thank all the witnesses for being here today, and I look forward to your testimony. And I yield back.

[The prepared statement of Ms. Schakowsky follows:]

***** COMMITTEE INSERT *****

Mr. Latta. Thank you very much.

The gentlelady yields back.

The chair of the full committee is not here right now. Would anyone like to claim the chairman's time?

Hearing none, the chair recognizes the ranking member of the full committee, the gentleman from New Jersey, for 5 minutes.

Mr. Pallone. Thank you, Mr. Chairman.

Today's hearing is on mixed martial arts, or MMA, a full contact sport that has risen in popularity over the last several years, and youth interest in the sport has followed. MMA camps start for children as young as 6, and this year, a 15-year-old fought against a 23-year-old in a sanctioned match in Montana. And I am hoping we can spend some time today talking about participation of kids and teens in this sport.

For several years, this committee has been following the issue surrounding sports and head trauma. Most recently, Democratic members held a forum last month with our Judiciary Committee Democratic colleagues on the long-term effects of football-related brain injuries. And while much of the attention on sports and head trauma has focused on football, head injuries from MMA are real and concerning.

An MMA fighter was diagnosed post-mortem with CTE last year. And retired fighters who were still living had reported headaches, forgetfulness, loss of train of thought, and other effects that are similar to Alzheimer's disease. We have known for some time that getting hit in the head is simply not good for you, but we are learning more and more about the effects of cumulative hits to the head over

time and how head trauma is particularly dangerous to children.

Adults need to know the full long-term risks so they can make informed choices to participate in contact sports. But I am most worried about the risks to children. Studies show that brain injuries in children can be more serious, and we need to focus on how we can reduce the risks for children who engage in MMA.

It has been less than a year since our subcommittee's last hearing on MMA in December 2016. And while these hearings are raising legitimate issues that deserve to be heard, I would be remiss if I did not raise another sports issue deserving the committee's review as well as the subcommittee. There is a revolution in the world of sports, and that is the exploding popularity of sports betting. So, Mr. Chairman, sports betting is more popular and widely accepted than ever before, despite that it is still illegal in most of the country. The majority of Americans now believe that sports betting should be legal, and since it is happening anyway, we should ensure that basic consumer protections are attached to it.

I have released a comprehensive bill to update our outdated Federal gambling laws, the Gaming, Accountability, and Modernization Enhancement Act, or GAME Act. And my bill allows States to put strong consumer protections in place to legalize sports betting and online gaming if they chose to. It would be increasing transparency and integrity in the industry and could bring in much needed revenue.

So, Mr. Chairman, I think this is an issue where members on both sides of the aisle can find common ground. And as I said to you before,

I hope to see the committee, or actually the subcommittee, hold hearings to consider my sports betting or GAME Act in the near future.

And unless someone else wants time on my side, I yield back.

[The prepared statement of Mr. Pallone follows:]

***** COMMITTEE INSERT *****

Mr. Latta. Thank you.

The gentleman yields back.

And that now concludes the member opening statements. The chair would remind members that, pursuant to the committee rules, all members' opening statements will be made part of the record.

Additionally, I ask unanimous consent that Energy and Commerce members not on the Subcommittee on Digital Commerce and Consumer Protection be permitted to participate in today's hearing.

Without objection, so ordered.

Again, we want to thank our witnesses for being with us today and taking time to testify before us. Today's witnesses will have the opportunity to give 5-minute opening statements followed by a round of questions from the members.

Our witness panel for today's hearing will include Mr. Marc Ratner, the senior vice president of government and regulatory affairs at Ultimate Fighting Championship; Mr. Greg Sirb, the executive director of the Pennsylvania State Athletic Commission; Dr. Kristen Dams-O'Connor, the director of the Brain Injury Research Center at the Icahn School of Medicine at Mount Sinai; and Mr. Randy Couture, six-time UFC and MMA world champion, Hall of Famer, and president of Xtreme Couture MMA.

And, again, thank you very much for being with us.

And, Mr. Ratner, you have 5 minutes. And just pull the mike up and press the button, and thanks for being with us today.

STATEMENTS OF MARC RATNER, VICE PRESIDENT OF REGULATORY AFFAIRS, UFC;
GREG SIRB, EXECUTIVE DIRECTOR, PENNSYLVANIA STATE ATHLETIC COMMISSION;
KRISTEN DAMS-O'CONNOR, M.A., PH.D., DIRECTOR, BRAIN INJURY RESEARCH
CENTER, ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI; AND RANDY COUTURE,
PRESIDENT, XTREME COUTURE

STATEMENT OF MARC RATNER

Mr. Ratner. Thank you and good morning. And excuse me if -- I have a little cold, so I may have to get some water in between. But my name is Marc Ratner. I am the senior vice president of government and regulatory affairs at the UFC. I am pleased to share with you my perspectives about the regulation of mixed martial arts and why applying the Muhammad Ali Boxing Reform Act to MMA does not make sense.

I would like you to take away three key points from my testimony. First, it was only because of the leadership of the UFC that MMA exists as you know it today. Second, at the UFC, athlete and health safety is paramount. And, third, the conflicts and corruption that give rise to the Ali Act are not present in MMA.

After nearly 20 years on the Nevada State Athletic Commission regulating boxing, a sport that I truly love, I joined the UFC because I had come to admire and appreciate what the UFC was building. Make no mistake: It was the UFC and only the UFC that undertook the hard work to make MMA what it is today. It was not always so.

A short 5 years before I joined the UFC, it was nearly bankrupt. In 2001, MMA was in disregard because it was not a real sport. It had no rules and events were held in unregulated markets. It was marketed as a blood sport. Senator John McCain, a huge boxing fan, famously derided the sport as human cockfighting.

Today, the sport is the fastest growing professional sport because the fans and athletes have confidence about its well-earned reputation for integrity. MMA was transformed from a shunned spectacle to a respected sport because of the UFC's leadership. A key to the MMA success is regulation, which ensures fairness, consistency and adherence to a common set of rules.

Instead of avoiding regulations, the UFC ran toward regulation because we knew regulation was critical to instilling the confidence in fans and athletes that the sport had integrity. We traveled from State capital to State capital urging legislators to regulate the sport. I want to emphasize that no one else embarked on this hard work. We didn't ask Congress for a grant or a tax break. Our many competitors did not spend a dime or lift a finger in a single State capital advocating for the regulation of MMA.

It was the UFC and only the UFC that criss-crossed the country and the world to convince lawmakers to legalize and regulate the sport. In 2001, only the State of New Jersey regulated MMA. Sixteen years later, we are proud to report that MMA is regulated by every State with an athletic commission and in many countries around the world.

This subcommittee should understand that State regulation is real

and effective. The UFC has consistently embraced regulation of MMA because these rules help ensure athlete safety and fair competition by providing a consistent set of rules for the sport, something that was missing in the early days of MMA. However, we don't wait for State regulators to instruct us about health and safety. We are determined to lead.

The UFC has the most comprehensive anti-doping program in all of sports. It is administered by the United States Anti-Doping Agency and requires athletes to be available for random drug testing 24/7, 365 days a year. The UFC is the largest supporter of a landmark study on fighter brain health being conducted by the noted Cleveland Clinic.

Earlier this year, the UFC opened a new performance institute that provides its athletes with the most advanced training and wellness network, and unveiled new guidelines to improve weight management practices.

We also treat our fighters fairly. The sport has credited wealth and opportunity for many for whom no such opportunity previously existed. Today, former collegiate and Olympic wrestlers, judo specialists, and other mixed martial arts have a professional outlet for their athletic endeavors that barely existed 15 years ago. We pay the highest purses on the average in the industry, plus an opportunity to earn fight night bonuses. The UFC is first and the only promoter providing prefight accident insurance while they are training. Very, very important.

Dozens upon dozens of mixed martial artists are millionaires

because of these opportunities. They have capitalized on their successes by opening gyms, managing and training fighters, obtaining sponsorships, and even making movies.

Women excel in the UFC because we have created one of the biggest platforms for female athletes in professional sports. Women competing in the UFC do so on the same terms as their male counterparts, on the same fight cards, under the same rules, and with the same earning opportunities.

Some have argued that because boxing and MMA are both combat sports, both should be governed by the Ali Act. However, the two sports are entirely different, and the Ali Act should not cover MMA. Of principal concern is the application of Ali Act's sanctioning organization rules to MMA. MMA does not rely on sanctioning organizations, and Congress should not impose the boxing sanctioning organization model onto MMA.

The UFC's fighters are ranked by sports reporters, and those rankings guide our merit-based competitive matchmaking decisions. We put on the fights that the fans want to see, and it is merit based on competitive matchmaking decisions. Fighter fans and sports reporters keep MMA promoters accountable.

H.R. 44 would remove from the promoter the decisions regarding when and against whom fighters are matched. It might force interpromotional fights. Because different promotions have less comprehensive health and safety standards than the UFC, our fighters would be endangered.

Mr. Chairman, State regulation is working well. MMA is thriving because athletes and fans understand that it is a sport with high integrity. There is no need for Federal regulation, and I urge this subcommittee to be careful that it not hastily enact rules that make little sense for the sport. Thank you very much.

[The prepared statement of Mr. Ratner follows:]

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Mr. Latta. Thank you very much.

Mr. Sirb, you are recognized for 5 minutes.

STATEMENT OF GREG SIRB

Mr. Sirb. Chairman Latta and members of the committee, thank you very much for being here. My name is Greg Sirb. I served as the executive director of the Pennsylvania commission for the past 27 years. I have also served as the national president of the Association of Boxing Commissions and Combat Sports. I testified before Congress on multiple occasions concerning the Professional Boxing Safety Act of 1996 and the Ali Act of 2000. I will be always proud to say I was one of the architects at getting both of those bills passed, along with my good friend Senator John McCain.

First, some background information. In 2016, we had about a thousand MMA fights in the United States, it is increasingly being popularized. The top States: California, Texas, Nevada, Ohio, Pennsylvania, and Florida. Currently, we have about 52 State or Tribal commissions that regulate these sports. Regulations can vary between State and State, particularly when we talk about the amateur MMA athlete.

One of the driving forces when we first were here in 1996 when we passed the Pro Boxing Safety Act, we had five sections we wanted to make sure we dealt with. I am going to go over those and see how they deal with MMA.

One, under the current Federal law, no boxing can occur in a State that does not have a commission. Cannot occur. If the State does not have a commission, they can ask a neighboring State to come in or they can ask the ABC to supervise. That is not the case in MMA. It is not against Federal law to have an unregulated pro MMA fight.

Two, safety procedures. Each boxer must have a physical exam before the fight, an ambulance must be present, a physician must be present. And health insurance must be provided to that boxer in case he is injured. That is in the Federal law. Although not mandated by the Federal law, many of the State and Tribal commissions do this for MMA currently.

Three we had as registration. The Federal Boxing Act requires all pro boxers to apply for a Federal ID card with their home State. This ID card has a photo of the fighter, the name of the fighter, the date of birth, Social Security number, and a unique six-digit number that tracks that fighter all over the world.

In the MMA, the ABC has developed a national database for MMA fighters. This national registry is accessible to all State and Tribal commissions, and again, although not mandated by the Federal law, the Federal ID system is in effect for the MMA world.

Four, suspensions. The current Federal law mandates that if you are a boxer and you have suffered a knockout or an injury and you are placed on suspension, you cannot fight in any other State. That is Federal law. You cannot fight for a KO, a series of knockouts, a failed drug test, a failed alias that you are trying to falsify a

documentation, or unsportsmanlike conduct. And although not mandated by Federal law, with the help of the ABC, the vast majority of the States with MMA uphold MMA suspensions and require that they uphold the suspensions in other States.

Five, reporting. The Federal law requires you to report your boxing results and your suspensions within 48 hours after the event. The ABC has developed two national registries. We have one for boxing, and we have one for MMA. Again, although not mandated, all State and Tribal commissions have the results in by 48 hours with their suspensions.

As you can see with the ABC and with the help of the many State and Tribal commissions we have, we have already implemented much of the Federal law for the MMA fighters. But what haven't we done? Generally, the MMA fighter, under Federal law, is not covered when he is dealing with his promoter or manager. He is not covered in that section, of course, of contract. He is not covered in that section of sanctioning bodies and rankings organization.

As a boxer, I can go after that event. I am entitled to my contract. I am entitled to see and ask for disclosure of that promoter of the financial dealings with that promoter, how much did he make from the event, where that money is going, and what money is being assessed against me as a fighter. I have that authority as a boxer.

Boxers are also entitled to the so-called firewall between a manager and a fighter; i.e., a manager cannot act as your promoter, and a promoter cannot act as your manager and take money from both.

There is no double dipping. Boxers have that ability.

Boxers are also protected under the Federal act from the so-called coercive contract. A coercive contract generally means under the Safety Act -- the Pro Boxing Safety Act, that I can't be forced to sign a contract or I cannot be forced to extend an existing contract if I want a particular fight. I can't be forced to do that. Coerciveness.

The Federal law also states that the promoter of the event is obligated, under perjury, to sign forms and disclose to the State or Tribal commission where the event is to be held, all the financial dealings that he has with the fighter, all the money that he is bringing in, and all the money that he may be paying out. So a promoter can't --

Mr. Latta. You need to wrap up. You need to wrap up.

Mr. Sirb. Of those five things, let's be clear about the financial disclosure. Financial disclosure is a good thing.

And I will leave you with this. Twenty-seven years I have been here. I am one of the longest serving State regulators in the country. I served many times with a fighter and a manager, sit down with them and their promoter, and we have to mediate his contract. One famous fighter told me just like this, he said: Sirb, if I don't know how big the financial pie is, how do I know what type of piece of the pie I should ask for? I will leave with you that.

[The prepared statement of Mr. Sirb follows:]

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Mr. Latta. Thank you very much.

And, Dr. Dams-O'Connor, you are recognized for 5 minutes. Thank you.

STATEMENT OF KRISTEN DAMS-O'CONNOR, M.A., PH.D.

Ms. Dams-O'Connor. Thank you. I am Dr. Kristen Dams-O'Connor. I am an associate professor of rehabilitation medicine and neurology at the Icahn School of Medicine at Mount Sinai, where I am also the director of the Brain Injury Research Center. The testimony I will provide today reflects my own professional opinion.

My research focuses on understanding and improving long-term outcomes associated with traumatic brain injury or TBI. TBI is defined as a traumatically induced physiological disruption of brain function that results in a period of unconsciousness or any alteration in mental state or neurological status.

Not all traumatic brain injuries involve a loss of consciousness, and not all TBIs result from a direct blow to the head. A mild TBI is frequently referred to as a concussion. Most of my research pertains to individuals who have sustained a TBI that involves a loss of consciousness and requires hospital care. TBI affects more than 2.7 million people each year and causes more than 150 deaths each day in the United States.

TBI one of the strongest environmental risk factors for dementia. The potential consequences of TBI are not limited to dementia. Among

people who receive in-patient rehabilitation for traumatic brain injury, about half within 5 years of injury have died or declined from a previous level of functioning. People who have sustained a TBI tend to have more medical comorbidities and a shortened lifespan of up to 9 years.

These findings have led to the realization that TBI may be more appropriately conceptualized as a disease process as opposed to an isolated event. Milder TBI or concussion can cause symptoms like headaches, dizziness, cognitive or emotional changes, but these usually resolve within weeks.

Some people who sustain a concussion experience persistent symptoms, especially those who sustain multiple concussions. Repeated exposure to sub-concussive head trauma, even in the absence of a clinical concussion, may be associated with long-term consequences. Chronic traumatic encephalopathy, or CTE, is thought to be triggered by repeated exposure to sub-concussive head trauma and is diagnosed post-mortem as an abnormal accumulation of a protein called tau in the brain.

Most of the recent research on CTE has been conducted in football players. Most of the research on sports-related TBI in general has been conducted on football players, male football players in particular. So it is not well-known how or whether these findings generalize to other contact sports, such as MMA, or to women.

An important thing that distinguishes MMA from football is that many football players never sustain a true concussion whereas

inflicting a TBI with loss of consciousness is essentially the goal of MMA. MMA also involves repeated exposure to sub-concussive head trauma throughout practice and competition, which essentially means that MMA fighters are at risk for both the long-term sequelae associated with traumatic brain injuries and also the long-term risks associated with sub-concussive head trauma exposure.

It is no longer defensible to claim that traumatic brain injury is not associated with long-term health consequences. We know that earlier life exposure and greater cumulative exposure to head trauma is associated with worse outcomes. There is no amount of exposure to traumatic brain injury that can be considered safe, and there is no age at which a traumatic brain injury is considered safe.

There is no biological marker to definitively determine when it is safe to return to sport after a traumatic brain injury. So the most conservative approach might be to ban participation in contact sports all together, but we know that there are tremendous benefits to kids and young adults who participate in sports, especially in this digital age. It is concerning to hear that sports participation among kids is declining. The benefits of sports participation cannot be replicated by technology.

But this truth has to be considered alongside the knowledge that many traumatic brain injuries sustained in sport are preventable. So the most prudent way forward might be to make every effort to make contact sport participation safer. In MMA in particular exposure to head trauma can be substantially reduced by delaying the age of exposure

to high-contact fights, limiting exposure to head contact, reducing the duration or number of competitions an athlete can participate in, or even penalizing athletes who deliberately inflict a blow to the head to an opponent.

Our understanding of the long-term effects of TBI has advanced rapidly in recent years, and I really think that we owe it to the people and their families who are living with the sequelae of brain injury to only accelerate that pace of research.

In science, we are interested in understanding the factors that may mitigate negative outcomes after a brain injury, and we hope that one day that science would allow us to predict individual level risk, but we are not there yet. As that knowledge accumulates, the short-term responsibility really lies in policy, the goal being to improve and enforce regulations that make sports safer for all athletes.

These regulations must protect both the athletes that go on to experience these devastating outcomes as well as those who are lucky and don't have these outcomes because, right now, we have no way of determining who those lucky ones will be. When sport participation involves exposure to traumatic brain injury --

Mr. Latta. Pardon me, Doctor. If you can just wrap up. Thank you. You are over. Thank you.

Ms. Dams-O'Connor. -- every effort must be made to reduce the risk.

[The prepared statement of Ms. Dams-O'Connor follows:]

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Mr. Latta. Thank you very much.

Mr. Couture, you are recognized for 5 minutes. Thank you very much.

STATEMENT OF RANDY COUTURE

Mr. Couture. Thank you. Chairman Latta and Ranking Member Schakowsky, thank you. I am very pleased to be back for the legislative hearing for the Ali Act to be expanded to mixed martial arts. I want to address some of the major issues in the sport of MMA that I have come to love so much and, unfortunately, some of the business behind the scenes that I have come to hate.

I know the majority of the memorandum has done a pretty good job of providing a cursory description of some of the history of modern MMA. However, there is just a bit I would like to add. It involves world-class athletes, Olympic athletes involved in disciplines of martial arts, including, wrestling, judo, jiu-jitsu, Muay Thai, karate, and boxing.

The UFC is the operating trade name of the Zuffa, LLC. Over 90 percent of the revenue generated in the sport of MMA is captured by Zuffa. Zuffa is still the only promoter in MMA that is regularly broadcasting on pay-per-view, where a substantial amount of the event's income is obtained. The UFC also promotes approximately 24 additional events through FOX family of networks on its own streaming service, the UFC FIGHT PASS. And the UFC has over 520 fighters on its roster

right now under contract.

Once signed to a Zuffa promotional agreement, Zuffa retains sweeping ancillary rights to utilize the athlete's likeness in perpetuity for all commercial purposes. The roster churns. As fighters are released, injured, or retire, new fighters are signed worldwide. There are thousands of professional mixed martial artists.

Coercive contractual practices crippling the natural growth of MMA include but are not limited to: the use of exclusive nonpublic contracts; the assignment of ancillary rights from the athlete to the promoter far beyond the term of the promotional agreement; champions clauses that prevent champions from ever becoming freely marketable; secret discretionary payments that are utilized to keep athletes subservient and silent.

For 2015, Zuffa reported an annual revenue in excess of \$600 million, with over 63 percent of that revenue from regulated events, pay-per-view, and gate. Zuffa has also entered into lucrative TV licensing deals, including a 7-year, \$832 million with FOX Networks and a 5-year, \$232 million deal for broadcast rights in Brazil. Zuffa also has ownership stakes in a variety of other business, including apparel, equipment, energy drinks and gyms, the UFC magazine, the UFC Fan Expo, UFC FIGHT PASS, which is the streaming service, and UFC.com, which is the website and online store.

Zuffa has a partnership and arrangements with numerous media companies. Zuffa controls the likeness rights of its athletes for merchandizing purposes and has the only MMA video game franchise in

partnership with EA Sports. I know this because I was previously in EA's video game before it became a UFC property.

By now, as most will know, Zuffa sold last year to WME-IMG for a reported \$4 billion in the single largest sports property in the history of sports. Although the purchase price is astounding, given the requisite percentage revenue share with the athletes, I can say, based upon my recent experience, that things seem to have gotten worse for fighters, not better, in fact, may have worsened. In particular, what I understand, the debt load associated with this purchase is probably three times the previous debt load. To that point, Goldman Sachs, the lead banker in the sale, has been twice warned by the Federal regulators that over-optimism in the projections of future income were far too speculative. Translation to fighters: None of that enormous purchase price will translate to your pocket, as the company now carries far more debt load and managers scramble to create new revenue.

Competitive architecture in the sport of MMA. In sport, competition is a result of competition and determines merit. Unlike boxing, however, there is no competitive architecture. For an MMA amateur, programs are largely nonexistent and unorganized.

MMA is also not an Olympic sport. Thus, athletes entering into MMA do not have the built-in pedigree that boxers typically enjoy due to longstanding amateur programs and Olympic competition which serves to filter test talent before they turn professional. In MMA, outside of the NCAA Division I wrestling and Olympic wrestlers, athletes turn professional in MMA and have not been systematically ranked at any

level. In contrast, amateur boxers and wrestlers establish credentials and merit in athletics through competition, ascending rankings.

Merit is essential to all combative sports. Athletes, through competition, ascend rankings and establish notoriety with the viewing public. In combat sports, value to athletes competing is obtained by sending those rankings through competition and later winning titles. Once notoriety has been obtained, the professional boxer or kickboxer may then enter into the marketplace for competing promotions where they can bid for his services or the athlete may choose to promote himself and hire a third party on a contract basis. These athletes retain rank and title that they have already obtained, which are independent of the promotion.

In contrast, MMA athletes do not have an organized and respected amateur system to establish merit. Unlike boxing and kickboxing, MMA promoters do not have and have not been required by the athletic commissions to utilize independent or objective ranking.

Mr. Latta. Pardon me, Mr. Couture, if you could wrap up your statement. Thank you.

Mr. Couture. Lots more to say. But I am here representing the MMA FA members of over 600 strong, so hardly an insignificant amount of fighters that want to see this changed.

[The prepared statement of Mr. Couture follows:]

***** INSERT 1-4 *****

Mr. Latta. Well, thank you very much for your statements. And at this time, we will move to the question and answers from our members.

And I will begin by recognizing myself for 5 minutes.

And, Mr. Sirb, if I could start with you. As an official of the Pennsylvania State Athletic Commission, can you explain the authority the Commonwealth of Pennsylvania has to implement rules like those for contractual provisions in H.R. 44?

Mr. Sirb. Currently in Pennsylvania --

Mr. Latta. Is your mike on?

Mr. Sirb. Currently, in Pennsylvania, we treat the boxer exactly the same as the MMA fighter. Every aspect of the Boxing Act -- of the Ali Act is implemented for the MMA fighter. We oversee the contract. It must be on our form. It can't exceed 3 years. And any situations that come up, they come to the commission first by State law for an arbitration process. If they don't like what we arbitrated, then it goes to Commonwealth court.

Mr. Latta. Thank you very much.

Mr. Ratner, you have had a great deal of experience with both boxing and the MMA, what are the differences in those sports and how they are regulated, and why do those differences exist?

Mr. Ratner. From the commission side, as Mr. Sirb just said, it is handled exactly the same way. I can speak for the State of Nevada completely. Boxers and MMA fighters are treated exactly the same. Surprisingly, the only thing that is different is the rules -- the rules of the sports. But everything is the same. Whether contracts, they

can be arbitrated by the commission.

But I do want to say about the Ali Act -- and I was there in 1996 with Mr. Sirb before Senator McCain and Senator Richard Bryan, and to the best of my knowledge, and maybe I am wrong, but there has not been one case that has gone to the United States Attorney General in any State with the Ali Act. For some reason, it has never been there. And I don't think it works in boxing, and it certainly will not work in the sport of MMA.

Mr. Latta. Thank you very much.

Mr. Couture, you have been a passionate advocate for changes and how the MMA is regulated. If these changes would have been in effect when you were fighting, how do you think it would have impacted your successful career?

Mr. Couture. I think, with the transparency that the Ali Act provides boxers, I would have known what my fair market value was in the sport, and I would have been free to go and pursue -- for me, a perfect example was the Fedor Emelianenko fight in 2006: Fedor was fighting for a different organization under a contract with them; I was under contract with the UFC. I wasn't allowed to go and pursue that fight. Most people thought he was the best fighter in the world and I was number two. The only way to really settle that, and that is in the cage. And I was not allowed to do that because of my exclusive contract with the UFC. I couldn't pursue that outside of them, and they couldn't make a deal with Fedor and do a copromotion with his organization.

So I think this is one of the things that the act clears up, allows for free market, and allows me to know my fair value in the marketplace.

Mr. Latta. Thank you very much.

Mr. Sirb, do you believe that the way the MMA fights are regulated in the U.S. creates as safe an environment as possible for the competitors, understanding the sport of course is very much a contact sport?

Mr. Sirb. I do. Again, we are only talking about the professional -- I do. Again, we are only talking about the professional fighters. The MMA, unlike boxing, MMA has a whole slew of amateur MMA fighters, 14, 13, 12 years old, 14, teenagers. That is very unregulated in some States. That is a big issue.

This Ali Act only covers though the pro fighters. But for the pro fighters, for the pro MMA fighters for health and safety, yes, they are protected fairly well under current regulations.

Mr. Latta. Thank you very much. Just to let you know, with our lights up there and the bells, they just called votes, and we have about 13 minutes left. Would the gentlelady like to go ahead and ask her questions, and we will take a brief recess and come right back.

Ms. Schakowsky. Actually, because I can come back, I am going to yield to Ben Ray Lujan to ask questions.

Mr. Latta. The gentleman is recognized.

Mr. Lujan. Thank you, Mr. Chairman.

Thank you, Ms. Schakowsky.

Mr. Couture, first off, I want to thank Mr. Markwayne Mullin for

leading this effort, and Mr. Kennedy as well. This is important. As we are having a conversation about folks that want to put themselves through the training and through the rigors of being in that ring, that ultimately led to a \$4 billion industry; that is the premise of I think why we are here. And what can be done in a way to make sure that we can understand how to put what those fighters are going through every day and front and center, if you will, in the middle of what is happening across the country.

So, looking at this, as we talk about economic independence, does the Ali Act make it harder for the same person or organization to serve both as a boxer's manager and their promoter, and why do MMA fighters need the same protections?

Mr. Couture. I believe that MMA fighters need the same protection. I think the biggest issue is that combative sport should be based on merit. And to have a promoter also create his own title and his own rankings and then hold the athlete's feet to the fire and force him to sign a contract if he wants to be ranked and he wants to fight for those titles and gain that notoriety, it is too much power. It needs to be separated.

Somebody else independent of wanting to promote and make money off that fighter should be setting those rankings and creating those titles. That is my opinion.

Health and well-being of the fighters, I am perfectly comfortable with how the athletic commissions and ABC regulate us. The CT scans, the blood work, all the other things that I do to make sure -- I know

the risks; I still love the sport.

The real issue is on the business side of things. I am not told or allowed to know what I am worth. And I get to negotiate for my fair share of any event that I compete in. A recent example, Conor McGregor gets a boxing license, and he goes out and makes \$80 million or \$90 million. That is ten times he has ever made in a mixed martial arts fight -- ten times what he ever made in a mixed martial arts fight. And he is one of the highest mixed martial arts fighters, what he is paid. And it goes down drastically from there.

The mid-tier and lower tier fighters are struggling; they can't fight enough times in a year to make a decent living. Now, they are forced to fight four or five or six times in a year. It takes 10 weeks to train for one fight. That is 40 weeks that he is in hardcore training, putting his body at risk, in order to continue to make a living in the sport that he loves.

Mr. Lujan. I appreciate that. Having a chance to -- I have seen some of those boxers train at Jackson's Gym in Albuquerque, New Mexico, I certainly appreciate the work that goes into that. I mean, I sweat just watching them, sir, so there is nothing that I could do to ever be prepare fully, but I appreciate that.

So my question, Mr. Ratner, goes I guess to this point. Is disclosure and voluntary guidelines enough to protect fighters' interest, or do fighters need a fully independent sanctioning authority that has the ability to enforce rules as we look at these rankings?

Mr. Ratner. First of all, in your first statement, I want

everybody to know that we are not a manager; we are a promoter. When a fighter comes to fight for us, they bring attorneys, they bring managers, they bring agencies.

Mr. Lujan. Mr. Ratner, if I may, because my time is going to run out here, specifically to disclosure and voluntary guidelines, is that enough to protect the fighters' interests, or do fighters need a fully independent sanctioning authority that has the ability to enforce the rules as we talk about the importance of the ranking and things of that nature?

Mr. Ratner. When they fight for us, the gate is public knowledge; they know exactly how much was paid by the people who watched the fights. The ones who fight on pay-per-view are really their partners. They have the right to audit the pay-per-view numbers. So they are really part of our whole business. No fighter fights for us for less than \$10,000 for them to show up. If they win, they get another \$10,000.

Mr. Couture brought up the Mayweather fight with Conor McGregor. On that fight card, there were five fighters -- five boxers who were paid under \$7,500. So that is a boxing -- whether it is right or wrong. I am saying that nobody gets paid less than \$10,000, and we do the right thing by the fighters.

Mr. Lujan. Thank you.

Mr. Chairman, as my time expires, again, just -- it just sold for \$4 billion. We talk about the earnings of these fighters and even the autonomy for them to go and find independent sponsors as well when they are tied to contracts. It just doesn't allow them to maximize their

earnings. And I think, as you look at what they are required to fight for all year long versus the few fights then that ultimately have that payday, that there should be some flexibility there, and I am hoping that I can better understand this as well so we can maximize those earnings for these folks that do incredible work. Thank you very much, sir.

Mr. Latta. The gentleman's time has expired.

And at this time, we will take a brief 15-minute recess, and we will go vote and come right back. So we appreciate your testimony so far, and like I said, we will be back in 15 minutes.

[Recess.]

RPTR MELHORN

EDTR SECKMAN

[11:13 a.m.]

Mr. Latta. I call the subcommittee to order from our brief recess, and at this time, I will recognize the gentleman from Oklahoma for 5 minutes.

Mr. Mullin. Thank you, Mr. Chairman, and thank you to the witnesses for being here.

Mr. Ratner, you made a statement that you said boxers and MMA fighters are treated the same.

Mr. Ratner. By commissions, yes.

Mr. Mullin. So is the ranking system the same?

Mr. Ratner. First of all, I am a regulator.

Mr. Mullin. I know, but if you are saying they are treated the same, that is an awful broad statement. Is the ranking system the same?

Mr. Ratner. Well, I am saying from a regulatory point of view, from a commission point of view --

Mr. Mullin. Well, you are talking about the safety of the fighter. We are talking about the ranking, and the Ali Act doesn't deal with the safety of it. It deals with the financial disclosures of it.

So, when you make that broad statement, let's be narrow, because this is a hearing on the legislation, on H.R. 44. That is what this is about. We are not talking about the safety, which is important,

we are talking about what the Ali Act does and doesn't.

So, when you say that a boxer and an MMA fighter is treated the same, is the ranking system the same? Yes or no.

Mr. Ratner. The ranking systems in boxing are completely different.

Mr. Mullin. So what criteria does the MMA use for the ranking system? The UFC specifically.

Mr. Ratner. The UFC, there is a group of sports writers, I am not sure how many, and they are the ones.

Mr. Mullin. Do they serve at the will of the UFC?

Mr. Ratner. Do they serve -- no, they are independent.

Mr. Mullin. They serve at will. The UFC reserves the right to remove anybody off that commission that they choose.

Mr. Ratner. I cannot answer that.

Mr. Mullin. It is true. The answer to that is true.

Mr. Ratner. I do not know that, but there is a group of them, it is 18 or 20, something like that, and they rank the fighters --

Mr. Mullin. What criteria do they use to rank the fighters?

Mr. Ratner. As I said, I am in the regulatory part of it. I am not in that part of it, and I cannot answer that.

Mr. Mullin. But you did refer to it, I mean, in your opening statement referred to the ranking system. So, if you referred to it in your opening statement, then let's be clear on a couple things.

How do they choose who is going to fight for a title?

Mr. Ratner. How does the UFC?

Mr. Mullin. Yes.

Mr. Ratner. On a competitive basis. We make the fight that fans want to see.

Mr. Mullin. I have no objections to that. I want that, but when you are talking about a world title, as a professional fighter, I want to know that I am the best, if I am fighting, and that is the whole point. As Randy said, he wants to fight the best.

So how do you know you get to fight the best? It has nothing to do with matchmaking. The Mayweather/McGregor fight was not for a title. The fans wanted to see it, Correct?

Mr. Ratner. Correct.

Mr. Mullin. But when you have a title out there that the UFC shows as a world title, do you consider that the world title?

Mr. Ratner. Last Saturday night, we had three world titles.

Mr. Mullin. World titles. So, when Lawrence Epstein came and talked to be me and he said that they don't look at the title as being a title but as an award bestowed upon the best fighter that night, would you agree with that statement?

Mr. Ratner. I do. Just going back to Saturday night --

Mr. Mullin. So then it is not really a world title.

Mr. Ratner. It is a world title as far as we are concerned.

Mr. Mullin. Not if you are considering it an award bestowed upon the best fighter. It can't be. When you have the last three fights, the 185 pound, as I said in my opening statement, when Luke fought Bisping, Bisping was ranked number four. Did number three, number two,

and the number one contender, did they refuse the fight like in the boxing world they do?

Mr. Ratner. Well, in the boxing world, what you have there is step-aside, and there are all kinds of games played.

Mr. Mullin. Okay. But did they? Did the number three, two, and the number one contender have an opportunity to fight, or did they go straight to Bisping?

Mr. Ratner. I am going to make it clear again: I am not involved in that part of it.

Mr. Mullin. But you said in the opening statement that the fighters in the MMA and boxers are treated the same.

Mr. Ratner. Absolutely.

Mr. Mullin. They are not when you are talking about the ranking system.

Mr. Ratner. I am talking about State commissions.

Mr. Mullin. State commissions when you are talking about the safety and regulating the safety but not -- not -- the true ranking system.

If the UFC is considered a professional sport, then it should be on a merit-based ranking system, when the fans know that the number one contender actually has a shot at the title, because we haven't seen that at 185. How did Dan Henderson -- which I like Dan; this is no knock on him. But he wasn't even in the top 10, and when was the last time he was in the top 10? He got to fight Bisping for the title shot. Did nine, eight, seven, six, five, four, three, two, and one all refuse?

Mr. Ratner. When Dan Henderson fought Michael Bisping, it was a natural rematch from a fight maybe four or --

Mr. Mullin. But then it wasn't a title shot, but yet it was for a title shot. Then that means the world championship belt that the UFC has isn't really a world championship belt. It is really what Lawrence Epstein personally told me. It is simply an award that they bestow on the best fighter that night. That is insulting to every professional athlete.

How did GSP get a fight for the title when he hasn't had a fight in 4 years, much less at 185 pounds? He never fought for the belt.

Mr. Ratner. St-Pierre hadn't fought in 4 years; you are absolutely correct.

Mr. Mullin. So how did he get a title shot?

Mr. Ratner. He was a former champion, former pound-for-pound the best fighter in the world, according to our --

Mr. Mullin. So he still didn't fight for a title. He fought for an award bestowed upon the best fighter that night.

When you go back and you say -- and I am wrapping up, Chairman -- when you go back and you say that boxers are treated like MMA fighters, clarify that statement that you are talking about the health of the fighter but not the professional ranking system and not -- and not -- about the financial disclosures, because there are distinct differences. The Ali Act is the backstop to boxers. There is no backstop for MMA fighters. It is take it or leave it, and that is what I say the UFC has become the Don King of MMA.

I yield back.

Mr. Latta. The gentleman's time has expired.

And the chair now recognizes the gentlelady from Illinois, the ranking member of the subcommittee.

Ms. Schakowsky. I am going to yield to Congressman Kennedy, a cosponsor of this bill.

Mr. Kennedy. Thank you. I appreciate that, ranking member.

I appreciate that, Mr. Chairman. Thank you for calling this hearing.

The witnesses, thank you for being here.

Mr. Mullin, if you wanted to finish that round of questioning off, I am happen to yield to you a minute, as long as, Jan, you are okay with that.

Ms. Schakowsky. I am fine.

Mr. Mullin. Go ahead, Joe, and I will jump in when you are done.

Mr. Kennedy. I appreciate the witnesses here today, as I said.

A number of topics that I think have come to light over the course of this hearing, which I think we do need to dive it down a bit more.

Obviously, I share some of the concerns that you heard from Ms. Schakowsky around safety and security of our fighters. I understand, Mr. Couture, your perspective that there is an assumption of risk here, that you have an idea of what you are getting into, and I appreciate that.

That being said, I think, Doctor, some of the reach that you were able to articulate, this is an issue we are seeing across multiple

professional sports at this point where there are long-term safety effects that we also want to make sure that people are going in with eyes wide hope. I appreciate that as well.

I also wanted to call attention to an op-ed I believe in today's Washington Examiner by an additional fighter, Mr. Fitch, who echoed some of the points made by Mr. Couture and by Mr. Mullin. He states in part over his career that, at one point, following a defeat to Mr. St-Pierre, that he was presented with a merchandising agreement, quoting from a letter that is now in the record, quote: So I was presented with a merchandizing agreement by the promotion which required me to grant them in perpetuity and for no compensation the right to my image for use in a video game.

He cites later that he was requested at one point to sign over all rights, including after death.

Mr. Couture, is Mr. Fitch's experience with that similar to circumstances that you have been going through, and is that emblematic of some of the interactions with other fighters as well?

Mr. Couture. Yes, sir. It is. I have fought with the organization from the day they bought the company. When Zuffa bought the UFC from SEG, the old company that owned the property, I was the heavyweight champion at the time. I was due to sign a new contract, and my management basically fought for those ancillary rights, and it is because of that fight over those ancillary rights, my name and likeness and all these other categories that have nothing to do with the actual fight, I am persona non grata with the company to this day.

Mr. Kennedy. Mr. Mullin.

Mr. Mullin. Thank you, Joe.

Mr. Ratner, a followup question: Did the UFC strip Conor McGregor of his featherweight title and drop him from the rankings, despite he had never lost the title in competition?

Mr. Ratner. He wasn't active in I believe the 145. He went up to 155, and, yes, they took the title away.

Mr. Mullin. And they stripped him out of the rankings of the top 10, despite he had never lost at 145?

Mr. Ratner. I believe so.

Mr. Mullin. Would that happen in boxing?

Mr. Ratner. I think it has happened in boxing.

Mr. Mullin. When they are inactive for how long?

Mr. Ratner. That I cannot say, but I know --

Mr. Mullin. Isn't it based on them passing fights, refusing to fight for the title, and isn't it based on criteria before they can just simply drop the title?

Mr. Ratner. In boxing, there must be maybe 10 to 12 world sanctioning bodies, and they all have their own criteria, they all have different rankings.

Mr. Mullin. But I am talking underneath the Ali Act, because you were a proponent for the Ali Act when it was coming out in boxing, you were a strong proponent for it because you saw the need for the boxers, for the fighters, and a lot of it was the manipulation that was going on in boxing. Is that correct?

Mr. Ratner. Yes, 20 years ago, I --

Mr. Mullin. And you don't see any similarities right now on the manipulation the way they do it?

Mr. Ratner. No. I don't.

Mr. Mullin. What about Nate Diaz who was dropped from the UFC because he was involved in contract negotiations and he was trying to negotiate with the UFC and they dropped him? Is that not true?

Mr. Ratner. I don't -- I don't pay attention to the rankings, but --

Mr. Mullin. Sir, you are involved in it all the time. Was he not dropped from the UFC?

Mr. Ratner. He is still under contract to us and --

Mr. Mullin. I am talking about at the time.

Mr. Ratner. I am sure you will see him fight again.

Mr. Mullin. I know that, but the answer to that is yes, and we go back to the same thing. When you were saying that boxers are treated the same way as -- or MMA fighters are treated the same way as boxers, what I am trying to draw here is they are not even close. You make a broad statement like that; you are misleading Congress.

Mr. Ratner. Not at all.

Mr. Mullin. And you are misleading the American people. When you make those statements, clarify specifically on what it is you are talking about because, once again, you are talking about the health of the fighter. The Ali Act deals with the financial compensation of the fighter. It also deals with the merit-based ranking system.

I yield back.

Mr. Latta. Thank you very much.

The gentleman from Massachusetts' time has expired.

And the chair now recognizes the gentleman from Indiana for 5 minutes.

Mr. Bucshon. Thank you, Mr. Chairman.

I was a surgeon before I came to Congress, so actually this situation really does interest me quite a bit because of the medical aspects of what we are talking about here today. And I think, as you mentioned, adults understand what the risks are, and they participate based on the known risk.

It seems to me, though, one of the things when you are balancing risk/benefits, is you have to also be able to assess what your financial goals might be. Would you agree with that? If you are going to fight and assess the risk as a professional fighter, one of the considerations is on how many times you fight and for how long you fight is what your financial future might hold for you. Would you agree or disagree with that?

Mr. Couture. I would absolutely agree with that. Mr. Sirb mentioned if I know how big the pie is for a specific event that I am training for and going to compete in, then I have a fair opportunity, if I am unrestricted, to negotiate for my fair share of that pie, and that is less pies down the road that I have to get involved in which put my health and well-being at the --

Mr. Bucshon. Right. If you are essentially, as you mentioned,

you have to fight six times a year to meet some financial goals, and you may or may not meet those --

Mr. Couture. To use Mr. Ratner's --

Mr. Bucshon. It is more exposure potentially to the health risk.

Mr. Couture. To use Mr. Ratner's assumption that at least every fighter minimally gets \$10,000 to show up and \$10,000 if he wins, even at that rate, that is \$20,000, take out my training expenses and all the other expenses I have as an athlete, I am going to at least have to fight four, five, six times a year to make a reasonable living by today's standards.

Mr. Bucshon. Do you get charged for the other expenses? For example, an entertainer that goes on tour, right, their contracts usually have whatever it takes to set up the stage and to take down the stage and have the people run the lights and all that. I am just curious, are fighters -- is there a fee --

Mr. Couture. Fighters' expenses are dealing with his preparation, his trainers, his gym, food, supplementation, insurance of any kind.

Mr. Bucshon. Travel to and from the fight?

Mr. Couture. Travel is usually taken care of.

Mr. Bucshon. That is usually covered. Okay. I am just trying to clarify the financial structure here.

Mr. Couture. As far as venues and setup and promotions for displaying the actual competition, that is up to --

Mr. Bucshon. Is there a way a fighter can understand what the

financial results are of an event? I mean, is there transparency there for a fighter --

Mr. Couture. There is no transparency in place now in mixed martial arts. They don't have to disclose any of that information, and, I mean, you can find it on public record if you have the wherewithal to go look it up.

Mr. Bucshon. Okay.

Mr. Ratner, how do you determine how much to pay fighters?

Mr. Ratner. They all, as I stated, they have to sign a contract to fight for us. Most of those contracts are 2 to 3 years. So when they come in --

Mr. Bucshon. In the contract, does it talk about financial compensation or just --

Mr. Ratner. Yes. So, for a brandnew fighter, maybe the first three fights of his career, they are paid \$10,000. You win those three fights; then they are paid another amount. It goes in steps.

Mr. Bucshon. At any point in those contracts, is there revenue sharing at all, or is it just a flat fee?

Mr. Ratner. For a beginning fighter, no. They are signing --

Mr. Bucshon. Which is consistent with maybe the entertainment industry and other things. I totally understand that. Right.

Mr. Ratner. You asked about some of the other costs. The UFC picks up all those costs. When we have a fight, we bring them in on Tuesday, not on Friday or Saturday, for a fight. We weigh them to start with.

And I just want to say again that I am for the fighters; I am for the health and safety part. That is my most important part.

Mr. Bucshon. I think when you assess risk/benefit of participating in a sport, the financial aspects of it are an important part that you have to assess, right? And professional athletes will tell you that, and they know the risks, but if you are going to make \$10 million for a fight, well, you know --

Mr. Ratner. But nobody forces --

Mr. Bucshon. Mr. Sirb, I have got a few minutes here. You mentioned in your written testimony, there had been no legal cases brought to trial under the original Ali Act. Why is that?

Mr. Sirb. Correct. The Ali Act has been very hard to enforce. We at the national association have written to numerous State attorneys general who have the authority to enforce the act. We have never got any cooperation from any of them.

Mr. Bucshon. Okay. Thank you. My time has expired.

Mr. Latta. The gentleman's time has expired.

The chair again recognizes the gentlelady from Illinois, the ranking member of the subcommittee.

Ms. Schakowsky. I am going to yield my time to Mr. Pallone.

Mr. Latta. The gentleman is recognized.

Mr. Pallone. Thank you, Mr. Chairman.

I wanted to ask Mr. Ratner some questions about sports betting and as it relates to MMA, to some extent, in Nevada.

Legal sports betting is supported by a majority of Americans, but

outdated Federal law still prevents States that want to legalize it from doing so.

My bill, which I mentioned, the GAME Act, would modernize Federal law and allow States to legalize sports betting as long as strong safeguards that protect consumers and the integrity of the game are in place.

UFC is headquartered in Las Vegas, the center of legalized sports betting in the U.S. So I just wanted to ask you a couple questions, Mr. Ratner.

UFC operates all over the world. Is betting on UFC fights legal in other countries, to your knowledge?

Mr. Ratner. I know offshore there is betting everywhere. In Nevada, all our fights are put on what they call the board. You can bet on from the first fight through the last.

And I just want to say, personally, not for the UFC, but I am in favor of sports betting around the world, around the country especially.

Mr. Pallone. Thank you.

What does UFC do to ensure integrity and transparency in MMA matches?

Mr. Ratner. They make the bets competitive, is really what the words we use. Very seldom do you see a fight that odds-wise is 10 to 1, or 15 to 1, or 20 to 1. They are all pretty close.

And, yeah, there is betting, and we don't encourage fighters to go in there to the sports book. We certainly don't want them betting

against themselves. That would be certainly illegal. But, yeah, I have nothing -- I see nothing wrong with it. I saw Evander Holyfield fight Mike Tyson, and his whole camp bet on him, and they got big odds, and they walked away happy.

Mr. Pallone. In your experience, has the availability of sports betting affected fans' interest and engagement in UFC fights?

Mr. Ratner. Absolutely, it really is meaningful and you see in all our broadcasts that fighter A is a 2-to-1 favorite over fighter B, and people bet.

Mr. Pallone. Now, you were previously the executive director of the Nevada State Athletic Commission, and since you have joined UFC, you have helped UFC get licensed to operate in Nevada and other States.

Is UFC subject to any State regulation in the U.S. that helps ensure integrity and transparency when it comes to sports betting?

Mr. Ratner. Well, the only State that has sports betting is Nevada right now, I think that if your legislation goes through. But I work strictly with the athletic commissions, and whatever rules they have -- each State is a little bit different -- we adhere to. We run to regulation. It is very important to us, but when it comes to sports betting outside the State of Nevada, I cannot answer that.

Mr. Pallone. Now, what would happen if there was an allegation of unfair play or match fixing? Does the UFC have a process in place to respond to those allegations if there were such an allegation of unfair play or match fixing?

Mr. Ratner. Well, we have a whole legal team. There has never

been a case of match fixing in the UFC, but we would address it, absolutely.

Mr. Pallone. Okay. And even in States that haven't legalized sports betting, people are still wagering illegally on UFC fights and other sporting events, correct?

Mr. Ratner. Well, I know there is offshore betting. I do know that. I don't know if it is illegal to go on the internet and bet on it. I cannot answer that directly, but we are certainly aware of it.

Mr. Pallone. All right. Now sports betting in Nevada has been legal for decades, and the State has comprehensive regulations in place to govern and tax sports betting. So, Mr. Ratner, does legalizing sports betting and bringing it into the sunshine you think help sports leagues that are trying to protect the integrity of their games?

Mr. Ratner. Yes. I think that it is very, very important. In the State of Nevada, the sports books uncovered a basketball point shaving, just because, all of a sudden, all the money went on a different team, and they knew something was wrong. So I think it is very important for the integrity of all sports.

Mr. Pallone. How would legalizing sports betting in other States other than Nevada affect UFC's efforts to ensure integrity in MMA fights, do you think?

Mr. Ratner. I think it would be the same as Nevada. Wherever they would want to have it, we welcome it, and I think it would be a boon to the different States.

Mr. Pallone. All right. My last question is does the UFC

support the expansion of legalized sports betting to other States in the U.S. as long as strong safeguards to protect consumers and ensure the integrity of the sport were in place?

I guess you gave me your opinion, but does that reflect the UFC, or just your own personal --

Mr. Ratner. That is my opinion. I cannot speak for -- we have new owners, and I don't want to say something that may be misinterpreted. But as far as I am concerned, I am completely for it nationwide.

Mr. Pallone. All right. Thank you so much.

Thank you, Mr. Chairman.

Mr. Latta. Thank you very much.

And the chair recognizes the gentlelady from Illinois, the ranking member of the subcommittee for 5 minutes.

Ms. Schakowsky. Thank you. At our 2016 hearing on mixed martial arts, we heard from the Association of Boxing Commissions and Combat Sports, the National Organization of State Regulators, that the association has generally, quote, "taken a position against youth participation," unquote. But youth interest in MMA is growing, and the UFC offers MMA classifies and boot camps for children as young as 6 years old.

Dr. Dams-O'Connor, kids' and teens' brains are still developing. Can concussions and other forms of traumatic brain injury cause more damage and last longer in kids and teens than adults?

Ms. Dams-O'Connor. So this is definitely an evolving area of

research. A recent study actually found that exposure to head trauma through contact sports incurred greater risks for people who were exposed before the age of 12, a somewhat arbitrary cut point. But in general, the probably conventional logic amongst researchers is that earlier exposure is associated with worse outcomes.

Ms. Schakowsky. Does suffering a traumatic brain injury when you are young make you more vulnerable, is there research on this, to additional brain injuries in the future?

Ms. Dams-O'Connor. Yes. So one of the greatest population level risk factors for sustaining a subsequent traumatic brain injury is having sustained a previous traumatic brain injury. So yes.

Ms. Schakowsky. Are you concerned that 6-year-olds are participating in MMA?

Ms. Dams-O'Connor. It depends on the extent to which proactive measures are being taken to ensure the safety of those kids, to the extent that kids are being taught to fall safely, to limit or prevent head trauma exposure.

Again, I think that the benefits of sports participation need to be weighed against those risks, but it is a pretty young age, and it certainly raises some increased concerns.

Ms. Schakowsky. So are there any precautions that could ease your concerns if they were put into place?

Ms. Dams-O'Connor. I think that, at that age, the most prudent approach would be extreme caution in terms of actually limiting and penalizing any head trauma exposure in the youngest athletes.

Ms. Schakowsky. Isn't that what is kind of central to the sport?

Ms. Dams-O'Connor. Essentially, but I think that there is a lot about martial arts, including MMA, that has to do with athletic development, with physical development, with life lessons. So a lot of that would ideally be preserved. In the youngest athletes, however -- again, there is no safe age at which sustaining a TBI -- it is not safe at any age. In the youngest athletes, it is particularly unsafe. I think long ago, it was thought that, because of neuroplasticity, younger people recovered better after a brain injury, but we now know that that is not the case. In fact, the developing brain is most vulnerable to long-term effects of brain injury.

Ms. Schakowsky. In a 2016 study, researchers found that a third of MMA fights end in a knockout. I want to talk a bit about knockouts or a technical knockout. In fact, UFC fighters can earn bonuses of \$25,000 to \$50,000 if they win a fight with a knockout or technical knockout.

A technical knockout occurs when the referee decides a fighter cannot safely continue, while a knockout is the loss of consciousness.

So we have heard from experts that the greatest risk factor for TBI is a previous TBI. I just wanted to get to the issue of knockouts.

In your view, are fighters who have previously been knocked out more susceptible to being knocked out again in subsequent fights?

Ms. Dams-O'Connor. I think the reach would support that notion that someone who has previously sustained a knockout is not just at risk for subsequently sustaining another traumatic brain injury but

also for slower recovery after each subsequent brain injury.

Ms. Schakowsky. So, if that is the goal of the sport -- that is, you make more money if you knock someone out -- and there is general agreement that that is dangerous, translating that to youth sports, isn't that a problem? I mean, the kids like this because probably they are watching adults in the MMA sports.

Ms. Dams-O'Connor. It is an enormous problem. Any sport that has as a goal traumatic brain injury with loss of consciousness is tremendously concerning. Over the years, the regulations that have been applied to MMA and to boxing have changed. They differ across State lines, and the sport has changed in response. It is not unprecedented that changes in regulation have actually changed the sport.

In MMA, there is a lot of competition that involves technique and skill that has nothing to do with incurring head trauma. A lot of the sport would be preserved even if knockouts became no longer an acceptable component of the sport.

Ms. Schakowsky. Thank you.

I yield back.

Mr. Latta. Thank you very much.

The gentlewoman yields back.

And the chair now recognizes the gentleman from Texas for 5 minutes.

Mr. Green. Thank you, Mr. Chairman.

I want to thank the chair and the ranking member for having the

hearing today.

As several of our witnesses pointed out, the popularity of mixed martial arts has grown significantly in recent years. This hearing is a good opportunity to look at the increasingly important industry of the MMA and try to see where Federal law can both support its success and help make sure the fighters are protected.

Mr. Couture, can you tell us about the current ranking system of MMA impact fighters?

Mr. Couture. The current ranking system in mixed martial arts is set up and is established by the promoter himself. So Bellator has their own rankings. UFC has their own rankings. Professional Fight League has their own rankings. They establish those rankings based on the fighters that are under contract with that promotion. They create their own titles and have those fighters that are under contract with them fight for those rankings and those titles.

There is no independent organization established that crosses and covers the entire sport for rankings and/or titles at this time.

Mr. Green. How much does a fighter's athletic ability contribute to their rank, since there are no standards?

Mr. Couture. Well, as I stated in my comment, there is no real regulated amateur sport at this time, and I think that that is something that our sport needs to address. We need a sanctioning body or an amateur sports organization that covers mixed martial arts nationwide, like USA Wrestling or USA Boxing or USA Taekwondo or USA Judo, that would regulate the amateur sport, and then you would see young athletes

that compete in a watered-down version of MMA.

To assume that we are having 6-year-olds beating the hell out of each other, frankly, like a professional mixed martial artist, I don't think that is what we are seeing. I don't think that is what happens.

Are they training in mixed martial arts? Absolutely. Learning submission skills and the general body movements and they are training on striking and all those things, but they are not competing and trying to knock each other out. Contact is part of every sport. My sister was subjected to concussions in soccer from heading a soccer ball. It is there. We all know the inherent risk in the sports we partake in. But I think you are right: mitigating that risk is important.

But rankings would come through that amateur system. As I came out of wrestling, there was no professional outlet for me as an amateur wrestler, as an Olympic caliber wrestler. I forayed into mixed martial arts because I could use all those skills in mixed martial arts. I had to learn a lot of other skills as well, the striking and the other things that weren't encompassed in wrestling, but I had a certain level of expectation placed upon me, but there was no official ranking because of my wrestling background. It doesn't really exist in mixed martial arts right now.

Mr. Green. So you think an independent ranking system would change the MMA industry?

Mr. Couture. I think an independent ranking system -- we were just talking about a world championship. Well, there was no other athlete from any of these other promotions that was included in that

ranking or able to even compete for that world championship. So how is that a true world championship? It is basically ceremony for that particular promotion to say that is the world championship.

If we had an independent ranking system that included all the promotions that have fighters signed to their promotion and rank them with some criteria that is officially recognized by the athletic commissions, then we could then have promoters compete to make those best fights happen, and those fighters could then be remunerated for the possibility to fight for that real world championship.

Mr. Green. Since we are looking at this legislation on the Muhammad Ali Act, do you have any recommendations on ways that MMA fighters and promotion companies might be able to reduce the risk of head injury?

Mr. Couture. I think right now with current medical requirements by most all the State and Tribal athletic commissions, CT scans, regular physicals and checkups, suspension processes that are put into place by athletes that are TKO'd or KO'd for at least a minimum of 90 days after a fight, a lot of the regulations that are in place now from the athletic commissions are working. Is it inherent risk in training? Absolutely. But we as fighters, the last thing I want to do is sustain a concussion or get knocked on my butt while I am in that 10-week training camp going into a fight. So I train with very specific guys that I know, that I trust. I wear head gear a lot of times. I use bigger, more padded gloves than I will on the night of the fight when it is on the line to mitigate that possibility that I sustain a cut

or that I get a concussion going into that fight. We are smart. We are not out there just trying to beat the hell out of each other.

Mr. Green. I have one more question, Mr. Chairman. I know I am out of time, but you told us that the MMA fighters would have more economic independence to ensure they can operate as independent contractors. Can you tell how that would work and how -- an example of you give fighters more control over who they fight or how many times a year they fight?

Mr. Couture. We are independent contractors now. I was an independent contractor when I was under contract with the UFC. That is how our sport is set up. So it is up to me what I get paid for the times I fight, to regulate my taxes and all those other things as an independent contractor. I am not an employee of that promoter. I am signed on an independent contract with him as an independent contractor.

If I was allowed to cross promotion lines, my example was the Fedor Emelianenko fight. He was signed with Pride; I was signed with the UFC. Those are promotions. They promote fights. But there was no crossover. It wasn't allowed. There was no way for me to go fight what most people in the media felt was the number one fighter in the world, Fedor Emelianenko, because I was signed to an exclusive contract with the UFC.

This is that coercive -- if I want to be ranked and fight for that promotion, I have to sign that exclusive contract, sign away all my ancillary rights in perpetuity in a whole bunch of categories that are

worth a lot of money. And I am not allowed to go and fight that guy that I want to fight that would have been a Super Bowl of mixed martial arts at that time.

Mr. Green. Mr. Chairman, I know I was way over time. I thank you.

Mr. Latta. The gentleman's times has expired.

And seeing no other members here to ask questions, again, I want to thank our witnesses for testifying before the subcommittee today.

And I would like to include the following documents be submitted for the record by unanimous consent: the statement of Ms. Tracey Lesetar-Smith at Bellator MMA; a letter from Mr. Jon Fitch, professional MMA fighter; on behalf of the UFC, a letter to the Committee on Energy and Commerce and the Committee on Education and Workforce; a New York Times Magazine article; two National Review articles; a Washington Examiner article; and a Daily Caller article.

[The information follows:]

***** COMMITTEE INSERT *****

Mr. Latta. Pursuant to committee rules, I remind members that they have 10 business days to submit addition questions for the record, and I ask that the witnesses submit their response within 10 business days upon receipt of those questions.

And, without objection, the subcommittee stands adjourned.

[Whereupon, at 11:49 a.m., the subcommittee was adjourned.]