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July 7, 2025

Mr. Joe Stephenshaw, Director Department of Finance 1021 O Street, Suite 3110 Sacramento, California 95814

Dear Mr. Stephenshaw:

In a letter dated July 2, 2025, you notified the Joint Legislative Budget Committee (JLBC), pursuant to Item 9840-001-0494, Provisions 3 and 6 in the 2024-25 Budget Act, of a revision to a previous request from the Department of Consumer Affairs (DCA) for funding of unanticipated expenditures incurred by the State Athletic Commission (Commission). In May, the JLBC concurred with a request from DCA for \$101,000 to address increased costs. According to your letter, the Commission has revised its expenditure estimates and is now requesting a total of \$182,000 through Item 9840. My staff informs me that the majority of the additional expenses are the result of more combat sporting events being added to the calendar and the costs associated with the required oversight by state athletic inspectors.

As the popularity of combat sports continue to rise, the need for state oversight is only going to grow. According the Legislative Analyst's Office, the Commission has requested additional spending authority seven of the last ten fiscal years. I strongly encourage the Administration to consider increasing the Commission's budget authority to account for the higher number of events and expenses.

In order to address this year's deficit, I concur with the extra funding and waive the remainder of the 30-day review period. However, it is my expectation that the Administration will put forward a plan in January to avoid the use of Item 9840 in the future.

Sincerely,

Scott Wiener

Scott Wiener Chair

cc: Members of the Joint Legislative Budget Committee

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