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FISCAL IMPACT REPORT

SPONSOR: Adair DATE TYPED: 01/28/03 HB _____

SHORT TITLE: New Mexico-Bred Horse Quota SB 4

ANALYST: Gonzales

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			\$0.1		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Responses Received From
New Mexico Racing Commission

SUMMARY

Synopsis of Bill

Senate Bill 4 adds a new section to the Horse Racing Act to require licensed horse racing tracks to run at least four races for New Mexico-bred horses on each live day of racing with at least one race for quarter horses and at least one race for thoroughbred horses.

Significant Issues

This requirement does not apply to race days that are scheduled exclusively for allowance races or stakes races that include trial races.

The competition of quality horseracing has become more intense with the introduction of slot machine casinos at racetracks that increased the size of purse money offered and the quality of horseracing within the state. However, in some cases the competition may have had a detrimental effect on the number of New Mexico-bred horse races run at some New Mexico racetracks.

According to the Racing Commission, New Mexico racetracks will offer at least two New Mexico bred races per live race day and will average over two New Mexico bred races per live race day during the length of their race meet. In most cases, racetracks will offer four New Mexico

bred races per live race day; however, if the races do not fill, then the race will be opened to all horses or called off.

FISCAL IMPLICATIONS

The fiscal implications are hard to determine since a requirement for four bred horses could either increase or decrease the quality of horseracing thus causing revenues from the racetracks to increase or decrease.

On the other hand, requiring four New Mexico-bred horse races per live race day could create a surge in the New Mexico-bred population, thus causing economic growth in this industry.

POSSIBLE QUESTIONS

Does New Mexico have a large enough New Mexico bred horse population to run four quality races per live race day? If not, requiring four New Mexico bred races per live race day could cause sub-par races to be conducted or race fields with less than the optimal number of entrants.

Can the New Mexico Racing Commission rules enact the effects of this bill?

JMG/lb