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FISCAL IMPACT REPORT

SPONSOR: Cordova DATE TYPED: 02/27/03 HB 552

SHORT TITLE: Study Effects of Gambling SB _____

ANALYST: Gonzales

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$25.0			Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Commission on Higher Education
 Department of Health (DOH)
 Gaming Control Board

SUMMARY

Synopsis of Bill

House Bill 552 appropriates \$25.0 from the general fund to the Board of Regents of the University of New Mexico for the Center on Alcoholism, Substance Abuse and Addictions for the purpose of conducting a statewide study to:

- evaluate the effect of gambling on the general population of New Mexico;
- determine the effectiveness of tribal and Gaming Control Board efforts to address gambling addiction and its prevention, as required by state-tribal gaming compacts; and
- develop a public service campaign to increase awareness of the effects of gambling.

Significant Issues

This bill is for the Legislative Health and Human Services Committee.

According to the Gaming Control Board, the scope of “efforts to address gambling addiction and its prevention” is not clear. If it means direct intervention with problem gamblers, the Gaming Control Board does not have the authority, expertise, or resources to engage in that activity.

The State of New Mexico approved a state run lottery in 1996, and casino and slot machine gambling in 1997. According to the Department of Health, a UNM and Department of Health study determined there were over 40,000 serious problem gamblers in New Mexico in 1996. Since then, there have been no published follow-up studies on how gambling may have affected New Mexico residents, and also how gambling may have affected the various Indian Tribes who have casinos within their reservations.

PERFORMANCE IMPLICATIONS

DOH indicates this bill supports the DOH Strategic Plan, Program Area III, Behavioral Health Treatment, Goal A: Assure timely access to an effective, consumer-driven, integrated continuum of safety net services for adults with behavioral health needs and proposes the following performance measures:

- a. % of adults with a gambling addiction;
- b. % of adults with gambling additions who are in need of treatment;
- c. Number of gambling addiction science-based prevention programs that exist.

FISCAL IMPLICATIONS

The appropriation of \$25.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY04 shall revert to the general fund.

DOH indicates the estimated cost of the original 1996 New Mexico Survey of Gambling Behavior jointly funded by the DOH, UNM, CASSA and the Institute for Social Research was \$50.0.

ADMINISTRATIVE IMPLICATIONS

The Gaming Control Board will be required to provide data and resources to support the study. The level of resources required from the Board, however, is not expected to be significant.

OTHER SUBSTANTIVE ISSUES

The Commission on Higher Education states a request for this program was not included in UNM’s budget request to the UNM board of regents, and thus was not included in the list of priority projects submitted by UNM to the Commission on Higher Education for review.

The CHE suggests adding the following language for all new recurring higher education programs and expansion of current programs (assuming that funding will continue beyond 2003-2004):

“A plan for a program evaluation, including specific program goals and criteria for assessing program effectiveness, shall be submitted to the Legislative Finance Committee and the Commis-

sion on Higher Education by October 1, 2004. An assessment of the program will be completed prior to June 30, 2005, and submitted to the Legislative Finance Committee."

JMG/njw