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FISCAL IMPACT REPORT

SPONSOR Martinez DATE TYPED 1/31/05 HB

SHORT TITLE Indian Gaming Revenue Distribution SB 377

ANALYST Taylor

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			\$196.0	Recurring	Espanola

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	\$196.0	Similar	Recurring	Espanola
	(\$196.0)	Similar	Recurring	State General Fund

(Parenthesis () Indicate Revenue Decreases)

Relates to HB 474
 Duplicates HB 483

SOURCES OF INFORMATION

LFC Files
 Gaming Control Board
 Department of Finance and Administration

SUMMARY

SB 377 would have the Department of Finance and Administration make a distribution to each municipality in which an Indian gaming facility is located within its municipal boundaries. The distribution would be equal to 11.4 percent of the net receipts of revenue sharing from the Indian gaming facility located in the municipality. Distributions would be made quarterly by appropriation. The municipality receiving the distribution would have to spend the money for municipal government infrastructure or for providing police and fire protection services.

The effective date of this bill is July 1, 2005.

FISCAL IMPLICATIONS

The only municipality that would currently be affected by this bill would be Espanola, which contains the Big Rock Casino (operated by Santa Clara Pueblo). The bill has an effective date of July 1, 2005, making it apply to all of FY 2006 and future fiscal years.

This casino typically accounts for about 4 percent of total Indian gaming revenue sharing. Indian gaming revenue sharing revenues are estimated to be \$43 million. Assuming that 4 percent of the \$43 million is attributable to the Big Rock Casino implies that about \$1.7 million would be the base for the distribution to Espanola. Applying the 11.4 percent distribution percentage against \$1.7 million implies that \$196 thousand would be transferred to the City of Espanola. The state general fund revenues would be reduced by the equivalent amount.

Over time, the revenue implications of this bill could grow if other municipalities respond by annexing Indian gaming casinos.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill relates to HB 474 which would distribute a share of Indian gaming revenue to a specified county.

It duplicates HB 483.

BT/lg