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FISCAL IMPACT REPORT

SPONSOR Griego DATE TYPED 3/16/05 HB _____

SHORT TITLE Gaming Control Board Powers and Duties SB 384/aSJC/aSFI#1

ANALYST Medina

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

Relates to the Gaming Control Act

SOURCES OF INFORMATION

LFC Files

Responses Received From
Gaming Control Board (GCB)

SUMMARY

Synopsis of Senate Floor Amendment #1

The Senate Floor Amendment to Senate Bill 384 strikes the essence of the Senate Judiciary Committee Amendment, which relates to the Gaming Control Board's adoption of rules governing the self-exclusion from areas where gaming occurs. The floor amendment replaces this section of the SJC amendment with the same language with one exception. The floor amendment strengthens the intent of the SJC amendment, replacing:

“The name of a person who has been voluntarily self-excluded from the area where gaming occurs in a gaming establishment shall be confidential, and the self-exclusion list shall not be subject to inspection under the Inspection of Public Records Act.”

with:

“A gaming operator licensee, a key executive or any other person employed by or working pursuant to a contract with a gaming establishment is prohibited from disclosing the name of a person who is voluntarily self-excluded from the area where gaming occurs in a gaming establishment. The self-exclusion list shall not be subject to inspection under the Inspection of Public

Records Act.”

The floor amendment also amends GCB’s powers and duties to impose civil fines not to exceed five thousand dollars for violation by a key executive or any other person employed by or working pursuant to a contract with a gaming establishment of the prohibition against disclosure of names of persons who are self-excluded from gaming establishments; and twenty-five thousand dollars for violation by a gaming operator licensee of the prohibition against disclosure of names of persons who are self-excluded from gaming establishments.

Synopsis of SJC Amendment

The Senate Judiciary Committee Amendment to Senate Bill 384 changes the provision allowing GCB to adopt rules for voluntary exclusion of compulsive gamblers from “gaming establishments” to “the area where gaming occurs in a gaming establishment” and eliminates the rules, truly leaving the adoption of rules up to GCB.

The amendment further adds sections providing:

- that a person who is self-excluded from an area where gaming occurs is guilty of trespass pursuant to Section 30-14-1.1 NMSA 1978 if he or she enters such an area,
- that the names of self-excluded persons is to be confidential and not subject to inspection under the Inspection of Public Records Act,
- that a self-excluded person be required to execute a valid waiver and release of claims for damages resulting from placement on the self-exclusion list, and
- that no gaming operator licensee be held liable for action taken as a result of administering a self-exclusion program.

Synopsis of Original Bill

Senate Bill 384 amends the Gaming Control Act to remove a limitation on the salary of the executive director. The bill also grants the Gaming Control Board the discretion on the issuance of a license or certification to an applicant who has been denied a license in this state or any other state in the past.

The bill adds to the Gaming Control Act a provision allowing the board to adopt a rule to allow persons who are compulsive gamblers to voluntarily exclude themselves from a gaming establishment and includes language for the proposed amendment to the board’s rules. Finally, the bill includes an amendment to the gaming tax description for nonprofit gaming operator licensees. The amendment requires that a portion of the 60 percent of a nonprofit gaming operator’s net take be distributed for the treatment and assistance of compulsive gamblers and that no less than 0.25 percent of the net take of nonprofit operator’s gaming machines be expended on compulsive gambler treatment and assistance programs.

Significant Issues

The bill includes specific language for the rules that the board would adopt regarding voluntary exclusion from gaming facilities but does not recommend a salary for the executive director.

ADMINISTRATIVE IMPLICATIONS

The GCB’s audit division will be responsible for monitoring adherence to the proposed 0.25 percent required allocation to compulsive gambling treatment and assistance programs. GCB would also be charged with the maintenance of the voluntary exclusion program and list. Neither of these activities would impose a significant administrative burden on the agency.

ALTERNATIVES

GCB recommends the following amendments:

“The language in 60-2E-34 needs to remain gender neutral, therefore the word ‘himself’ needs to be replaced to ‘oneself’.”

And:

“The language in 60-2E-47 (F) needs to change so not to impact charitable or education expenditures to:

F. A nonprofit gaming operator licensee shall distribute at least sixty percent of the balance of its net take, after payment of the gaming tax and any income taxes, for charitable or educational purposes.

G. No less than one- fourth percent of the net take of the nonprofit gaming operator licensee’s gaming machines shall be expended on compulsive gambler treatment and assistance programs.”

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

The Gaming Control Act would continue without a 0.25 percent required allocation to compulsive gambling treatment by nonprofit gaming operators.

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