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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/9/07

SPONSOR Altamirano LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Nonprofit Gaming Machine Operation Hours SB 517

ANALYST Ortiz

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Gaming Control Board (GCB)

### SUMMARY

#### Synopsis of Bill

Senate Bill 517 would increase the aggregate value of prizes a bingo licensee can offer on each occasion from \$1,500.00 to \$3,000.00, allow nonprofit gaming operator licensees that are also bingo licensees to sell pull tabs anywhere on their premises at all times gaming machines are in operation and removes the 12:00 noon to 12:00 midnight time restriction on the operation of gaming machines at nonprofits and instead allow nonprofit gaming operator licensees to operate up to 12 hours a day at any time during the day.

### FISCAL IMPLICATIONS

According the Gaming Control Board, this bill would probably result in an increase in tax revenues from nonprofit bingo and gaming operator licensees by allowing them to run their bingo and gaming machine operations more profitably. It is not possible to predict the total amount of the increase.

### PERFORMANCE IMPLICATIONS

LFC staff note that this bill might increase the ratio of gaming revenue generated to general

funds expended.

**OTHER SUBSTANTIVE ISSUES**

LFC notes that this bill will help non-profits better target their market. For example, they may reduce operating hours on the weekdays and increase them on weekends.

LFC files indicate that a similar bill was introduced in previous session to increase the number of hours of operation for gaming at racetracks, although there is no limit on the number of hours a racetrack may operate gaming machines contained in the Indian gaming compacts that would impact the tribes' obligations to make revenue sharing payments, the gaming tribes will likely take the position that an increase in hours that racetracks may operate gaming machines impacts the exclusive rights they enjoy to offer gaming machines. The tribes may believe this true in the case of this bill as well.

**POSSIBLE QUESTIONS**

Does this impact tribal gaming compacts?

EO/sb