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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/04/09  
 LAST UPDATED 02/08/09    HB \_\_\_\_\_

SPONSOR Wirth

SHORT TITLE No Lottery or Gambling for Under 21-Year Olds    SB 360

ANALYST Ortiz

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
NFI	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY09	FY10	FY11		
	(Unknown)	(Unknown)	Recurring	General Fund
	(Unknown)	(Unknown)	Recurring	Lottery Tuition Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Attorney General's Office (AGO)

Gaming Control Board (GCB)

State Racing Commission (SRC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 360 amends the New Mexico Lottery Act to change the minimum age requirement to purchase a lottery ticket from eighteen (18) to twenty-one (21) years old. Senate Bill 360 also amends the Horse Racing Act to prohibit individuals under the age of twenty-one from wagering on horse races at licensed racetracks.

## **FISCAL IMPLICATIONS**

According to the New Mexico Lottery Authority, 18 and 20-year olds account for approximately 6.5 percent of the New Mexico adult population and approximately 2.5 percent of lottery sales. Based on FY08 figures, this would have resulted in \$3.7 million less in lottery sales and \$1.1 million less in the return to the state for the Legislative Lottery Tuition Fund. Related to this is that the latest report by the New Mexico Council on Problem Gambling, problem gamblers between the ages of 18 and 30 accounted for 6.25 percent of calls to their hotline but only 1 percent of total problem gamblers list lottery as their favorite game.

## **SIGNIFICANT ISSUES**

According to the Attorney General's Office, the Horse Racing Act as it is currently is silent as to the minimum age for "pari-mutuel wagering" defined as "a system of wagering in which bets on a live or simulcast horse race are pooled and held by the racetrack licensee for distribution of the total amount, less the deductions authorized by law, to holders of winning tickets." See NMSA 1978, § 60-1A-2(R). Nevertheless, NMSA 1978, Section 60-2E-37(A) states, "A person under the age of twenty-one years shall not ... play, be allowed to play, place wagers on or collect winnings from, whether personally or through an agent, any game authorized or offered to play pursuant to the Gaming Control Act." Racetracks with gaming machines must be licensed pursuant to both the Horse Racing Act and the Gaming Control Act. See NMSA 1978, § 60-2E-27. Under NMSA 1978, Section 60-2E-26(E), gaming machines can only be placed in areas restricted to 21 years old. While these provisions appear to cover betting at most horse tracks, Senate Bill 360 makes explicit that pari-mutuel wagering at horse racing tracks is for those individuals 21 years of age and older.

EO/svb