

LFC Requester:	Ginger Anderson
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date 1/22/2024

Bill No: HB159

Sponsor: Martin R. Zamora
Short Title: Removing Allowable Gaming Expenses & Rescinding 7-1-2027 Reneal and Reenactment

Agency Name and Code Number: NM Gaming Control Board 465
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Removing Allowable Gaming Expenses from the Net Take Calculation for NonProfit Gaming Operator Licensees; Rescinding the July 1, 2027 Repeal and Reenactment of Section 60-2E-47 NMSA 1978 (Being Laws 1997, Chapter 190, Section 49, as Amended by Laws 2023, Chapter, Section 1 and by Laws 2023, Chapter 154, Section 2) By Repealing Laws 2023, Chapter 122, Sections 2 and 4.

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

Removing the “allowable gaming expenses” from the net take calculation restores the calculation which keeps the monies going to tax, charitable/education causes and licensees’ operations to similar funding as before the addition of the language. Potentially an additional amount, less than one percent, may pass to licensees which they can use at their discretion for charity purposes or club operations.

PERFORMANCE IMPLICATIONS

Calculation will remain as intended.

ADMINISTRATIVE IMPLICATIONS

Net Take Calculation will be simplified.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

The Repeal Reenactment of this bill was never intended to apply to non-profit gaming revisions contained in subsection (G). The Repeal Reenactment was meant to apply to the changes made to subsections (E) and (F).

OTHER SUBSTANTIVE ISSUES

This was an inadvertent reconciliation of multiple bills regarding §60-2E-47 NMSA 1978, from

the 2023 legislation HB253 & SB336.

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Will result in the removal of the “allowable gaming expenses”. It will also return the charitable contribution rate to 60% which will likely drive a number of gaming NonProfits out of business. This will go into effect July 1, 2027.

AMENDMENTS