

Gaming Recovery Discussion

October 19, 2020



PLAY RESPONSIBLY. HELPLINE 1-800-572-1142.

Racetrack Gaming Summary

- Definitions:
 - Gaming Tax: 26% of gross gaming revenue from slot machines
 - 100% allocation to the General Fund
 - Purse Tax: 20% of gross gaming revenue from slot machines
 - 100% allocation to the horsemen's purse account
 - Responsible Gaming: 0.25% of gross gaming revenue from slot machines

Racetrack Gaming Summary

- **New Mexico Racetrack Industry Today**

- Maximum 600 slot machines per location (plus possible 150 additional units)
- Maximum 6 racetracks in the state (5 in operation today)
- No Table Games
- No Sports Wagering
- No iGaming
- No Comping
- No ATMs on the casino floor
- No Alcohol on the casino floor
- Maximum 112 hours per week (68% of available 168hrs)
- 26% Gaming Tax
- 20% Purse Tax
- 0.25% Responsible Gaming Tax

- **Sunland Park Racetrack Statistics**

- \$830M paid in Gaming Taxes and Purse Taxes since 1999
- \$12.5M in Total Employee compensation for 2019
- \$49,852 average total compensation for gaming employees
- 305 full time employees

Contributions (mm)	1999-2019	% of Payments
Racetrack Taxe(s)	\$ 1,946	69%
Gaming Tax	\$ 1,114	40%
Purse Tax	\$ 822	29%
Responsible Gaming	\$ 10	0%
Tribal Revenue Share	\$ 872	31%
Total Payments	\$ 2,818	100%

Entity	# of Slot Units	% of Total
Racetracks	3,014	15%
Tribal	16,581	85%
Total	19,595	100%

Entity	# of Table Games	% of Total
Racetracks	-	0%
Tribal	234	100%
Total	234	100%

Revenue Estimates

New Mexico Expanded Gaming Estimates

- * The purpose of the analysis is to estimate annual revenue assuming current statutory tax rates, paid to the general fund and horse purse account under current gaming permitted and future expansion of gaming
- * Scenarios include estimates for 5 and 6 licensed racetracks
- * Section A: total revenue contribution paid to New Mexico in 2019 under current gaming statutes and estimates total revenue that would have been paid if "Las Vegas-style gaming" was permissible in 2019
- * \$1.1BM direct fiscal impact estimated over 10 years. \$780M⁵ impact to tribal organizations, \$280M⁵ in purse enhancements and \$820M⁴ enhancement to gaming taxes

Contributions (mm)	Section A			Section B		Section C			Section D	
	Current	Expanded Gaming		Difference b/w 2019 & Expanded Las Vegas Gaming		10 Year Cummulative Impact			10 Year Total Revenue Increase	
	2019	5-Tracks	6-Tracks	5-Tracks	6-Tracks	Current	5-Tracks	6-Tracks	5-Tracks	6-Tracks
Total Racetrack Tax(s)	\$ 112	\$ 189	\$ 222	\$ 77	\$ 110	1,120	1,890	2,220	\$ 770	\$ 1,100
Gaming Tax	\$ 64	\$ 125	\$ 146	\$ 61	\$ 82	640	1,250	1,460	\$ 610	\$ 820
Purse Tax	\$ 48	\$ 64	\$ 76	\$ 16	\$ 28	480	640	760	\$ 160	\$ 280
Tribal Revenue Share	\$ 78	\$ -	\$ -	\$ (78)	\$ (78)	780			\$ (780)	\$ (780)
Total Contribution to NM	\$ 190	\$ 189	\$ 222	\$ (1)	\$ 32	1,900	1,890	2,220	\$ (10)	\$ 320

Notes

1. 2019 - Total annual Racetrack Taxes and Tribal Revenue Share
2. 5 Track Estimate - Total annual Racetrack and Tribal Taxes/Rev Share
3. 6 Track Estimate - Total annual Racetrack and Tribal Taxes/Rev Share
4. 6 Track Estimate - 10 year increase in gaming tax
5. 6 Track Estimate - 10 year total increase in purse tax
6. 6 Track Estimate - 10 year total savings in Tribal revenue share
7. 6 Track Estimate - 10 year total increase from Racetracks and Tribes

Racetrack taxes include both gaming taxes paid to the General Fund and purse taxes paid to the horsemen

Appendix



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NMGCB – Quick Facts



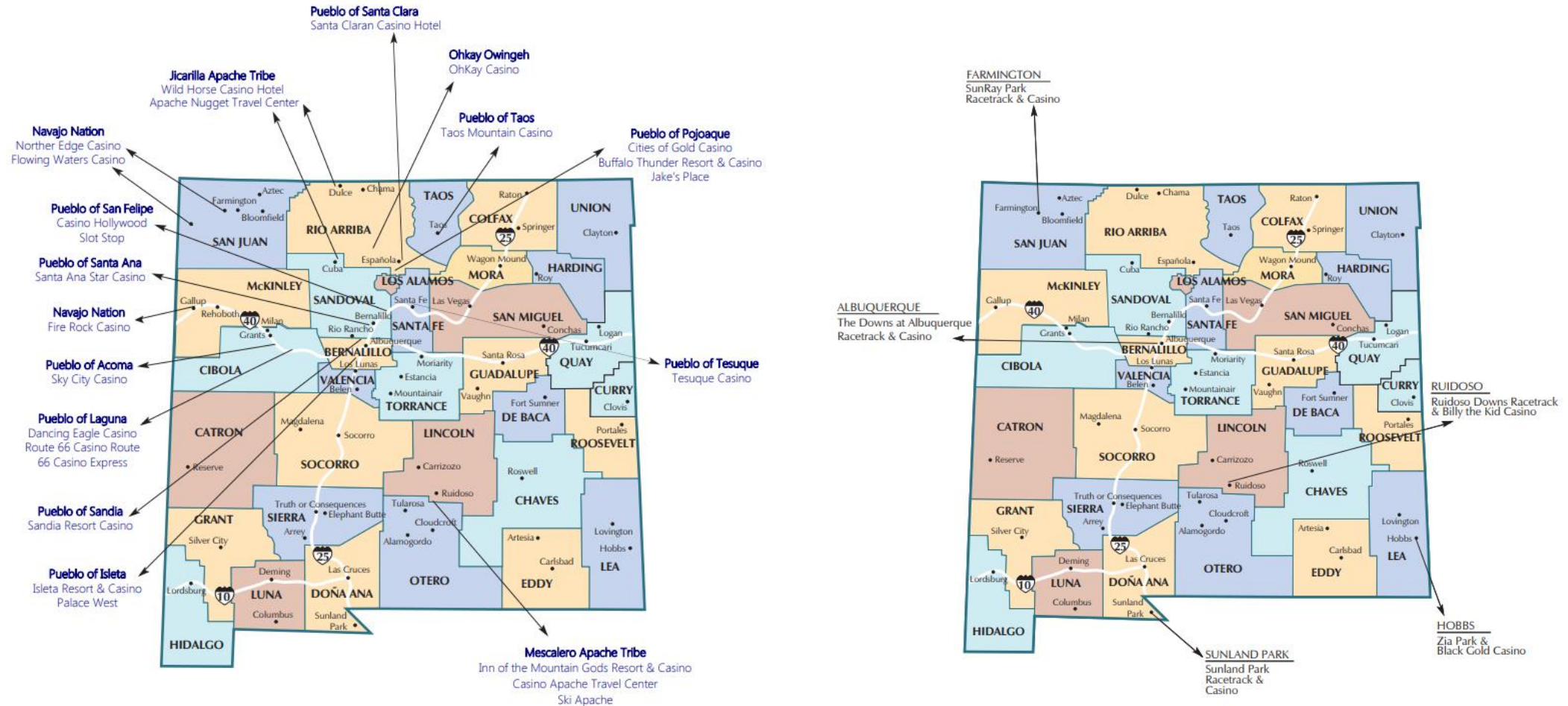
New Mexico Gaming Control Board Gaming Licensees Cumulative Quick Facts

	1999-2010 Cumulative FY Total	2011 FY Total	2012 FY Total	2013 FY Total	2014 FY Total	2015 FY Total	2016 FY Total	2017 FY Total	2018 FY Total	2019 FY Total	Cumulative Total
Gaming Tax											
Racetrack Operators	\$ 508,602,680	\$ 64,190,874	\$ 64,285,288	\$ 61,408,348	\$ 65,087,905	\$ 68,775,387	\$ 62,658,072	\$ 58,873,268	\$ 59,849,694	\$ 62,569,637	\$ 1,076,301,153
Non-Profit Operators	\$ 11,628,599	\$ 1,103,527	\$ 1,083,023	\$ 1,056,993	\$ 1,004,175	\$ 1,008,181	\$ 1,011,123	\$ 961,017	\$ 977,948	\$ 980,725	\$ 20,815,311
Manufacturers	\$ 5,961,359	\$ 510,858	\$ 644,223	\$ 591,324	\$ 566,079	\$ 515,588	\$ 269,459	\$ 208,647	\$ 573,486	\$ 882,018	\$ 10,723,041
Distributors	\$ 3,826,582	\$ 327,605	\$ 316,700	\$ 313,442	\$ 295,079	\$ 310,526	\$ 311,889	\$ 279,624	\$ 247,948	\$ 318,081	\$ 6,547,476
Total Gaming Taxes	\$ 530,019,219	\$ 66,132,864	\$ 66,329,233	\$ 63,370,107	\$ 66,953,238	\$ 70,609,682	\$ 64,250,543	\$ 60,322,556	\$ 61,649,076	\$ 64,750,462	\$ 1,114,386,980
Gaming Machine Net Win											
Racetrack Operators	\$ 1,985,537,851	\$ 246,887,977	\$ 247,251,106	\$ 236,185,953	\$ 251,663,101	\$ 244,676,526	\$ 240,992,583	\$ 226,435,646	\$ 230,191,133	\$ 240,652,450	\$ 4,150,474,326
Non-Profit Operators	\$ 104,718,335	\$ 11,035,269	\$ 10,830,228	\$ 10,569,928	\$ 10,041,745	\$ 10,081,810	\$ 10,111,226	\$ 9,610,168	\$ 9,779,477	\$ 9,807,254	\$ 196,585,440
Total Gaming Machine Net Win	\$ 2,090,256,187	\$ 257,923,246	\$ 258,081,334	\$ 246,755,881	\$ 261,704,846	\$ 254,758,336	\$ 251,103,809	\$ 236,045,814	\$ 239,970,610	\$ 250,459,704	\$ 4,347,059,767
Average Daily Net Win Per Machine											
Racetrack Operators		\$ 256	\$ 252	\$ 255	\$ 252	\$ 267	\$ 229	\$ 213	\$ 224	\$ 230	
Non-Profit Operators		\$ 46	\$ 45	\$ 45	\$ 40	\$ 42	\$ 41	\$ 40	\$ 42	\$ 43	
Amount Paid into Horse Racing Purses											
Racetrack Operators	\$ 397,107,571	\$ 49,377,595	\$ 41,410,961	\$ 47,237,191	\$ 50,067,619	\$ 48,890,097	\$ 48,198,517	\$ 45,287,129	\$ 46,038,226	\$ 48,130,490	\$ 821,745,396
Amount Designated for Problem Gambling											
Racetrack Operators	\$ 4,963,843	\$ 617,220	\$ 517,637	\$ 590,465	\$ 625,921	\$ 611,126	\$ 602,481	\$ 566,089	\$ 575,478	\$ 601,631	\$ 10,271,891
Required Charitable & Education Payments for Non-Profits											
	\$ 19,081,982	\$ 2,085,666	\$ 1,723,894	\$ 1,997,716	\$ 1,897,890	\$ 1,752,281	\$ 1,911,022	\$ 1,816,322	\$ 1,848,321	\$ 1,853,571	\$ 35,968,665
GCB Licensing Fees and Fines											
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 403,263	\$ 403,263
Gaming Machines at End of Each Year											
Racetrack Operators		2,652	2,574	2,335	2,886	2,967	2,931	2,921	2,925	2,892	
Non-Profit Operators		657	659	650	688	686	682	654	643	618	
Total Gaming Machines at End of Each Year		3,309	3,233	2,985	3,574	3,653	3,613	3,575	3,568	3,510	
Active Licenses at End of Each Year											
Manufacturers		11	14	14	14	14	15	15	15	17	
Distributors		7	6	7	6	6	5	5	6	6	
Limited Use Distributor		1	0	0	3	2	0	1	2	1	
Racetracks		5	5	5	5	5	5	5	5	5	
Non-Profit Operators		56	55	56	59	59	58	52	59	59	
Key Licensed		380	421	426	462	428	420	430	318	584	
Work Permit Employees		1291	1112	1257	1269	1139	1128	1104	657	1682	
Tribal Revenue Sharing & Regulatory Fees											
	\$ 342,643,409	\$ 65,893,522	\$ 68,149,908	\$ 69,741,694	\$ 68,039,216	\$ 67,652,154	\$ 64,519,328	\$ 62,092,428	\$ 62,812,874	\$ 78,354,686	\$ 871,544,533

Includes \$1,001,484.00 for regulatory fees for FY17.

Source: New Mexico Gaming Control Board

NMGCB – Casino Map



Source: New Mexico Gaming Control Board