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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/1/07  
 LAST UPDATED 3/15/07      HB \_\_\_\_\_

SPONSOR Griego

SHORT TITLE Gaming Machines Used in Private Homes      SB 278/aHBIC

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 HBIC Amendment

House Business and Industry Committee Amendment added a definition for an antique gambling device. It inserted a new section to amend Section 60-2E-62 regarding unlawful possession of gaming devices. It allows distributors or manufacturer licensee to possess unlicensed gaming devices when waiting for the transfer of the gaming device to a gaming operator licensee for licensure. A person may also possess an unlicensed gaming device as provided in Section 60-2E-13.1, which address the activities requiring licensing. It makes it a fourth degree felony for anyone violating this section.

#### Synopsis of Original Bill

Senate Bill 278, Gaming Machines Used in Private Homes, would remove ambiguity in the language of the Gaming Control Act by clarifying that ownership of unlicensed slot machines by private homeowners is not permitted in New Mexico.

### SUBSTANTIVE ISSUES

New Mexico Rel. New Mexico gaming Control Board vs. 10 Gaming Devices docket No. 24479,

NM Court of Appeals cert denied by NM Supreme Court states that slot machines are not subject to Gaming Control Act if located in a private residence.

This case creates a black market for gaming machines in New Mexico. Once in the home it could be used for illegal purposes. It allows machines to be brought into the state that GCB cannot regulate.

A problem with this bill is that there are no exemptions for those who currently own machines.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

If this bill is not enacted, the Gaming Control Act will permit sale of unregulated and unlicensed slot machines in New Mexico, potentially resulting in the sale and use of black market machines.

EO/nt