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FISCAL IMPACT REPORT

SPONSOR Neville ORIGINAL DATE 1/25/2019
LAST UPDATED _____ HB _____
SHORT TITLE Allow Alcohol on Gaming Floor of Racino SB 178
ANALYST Chabot

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Minimal	Minimal	Minimal	Nonrecurring	Racino Earnings

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Public Safety (DPS)
Gaming Control Board (GCB)
New Mexico Attorney General (NMAG)
Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of Bill

Senate Bill 178 amends the Gaming Control Act to allow consumption of alcohol on a portion of a gaming floor of racinos where gaming machines are located.

FISCAL IMPLICATIONS

RLD notes there would be minimal fiscal impact as a result of this bill. A Change of Floor Plan application would have to be submitted to the Alcohol and Gaming Division with a fee of \$75.

SIGNIFICANT ISSUES

According to NMAG this bill would allow alcoholic beverages to be consumed in restricted areas at racetracks. While it states restricted area is not explicitly defined, it is described as an area where gaming machines are located and that is restricted to persons 21 years or older. However, the bill does not allow alcohol to be sold in these areas and patrons would have to bring in alcohol purchased elsewhere.

GCB states controls already exist within the licensed racinos that include a strong security presence as well as surveillance equipment and methods. These controls should be adequate to monitor individuals who are participating in gaming activities while consuming alcohol.

TECHNICAL ISSUES

RLD discusses page 5, lines 4-5 as a restricted area where alcohol can be consumed cannot have alcohol “delivered.” This bill thus proposes an anomaly in the Liquor Control Act where an area of a license premises may not have service but may allow consumption; from a policy perspective, over-service of alcohol is more easily prevented when customers are less likely to consume a drink purchased by a different customer in another area of the licensed premises and brought to them. RLD suggests deleting the prohibition on delivery or changing the language to allow a server to take an alcoholic beverage to the gaming area.

GAC/gb