

<b>LFC Requester:</b>	<b>Ginger Anderson</b>
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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** January 16, 2024  
**Bill No:** HB99

**Sponsor:** Elizabeth "Liz" Thomson  
**Short Title:** Eliminating Racinos from Smoking-  
Permitted Areas allowed in the Dee Johnson  
Clean Indoor Air Act.

**Agency Name and Code** NM Gaming Control Board  
465  
**Number:** \_\_\_\_\_  
**Person Writing** Angela M. Armstrong  
**Phone:** 505-263-3346 **Email** angela.armstrong@gcb.nm.gov

**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/z

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	\$4,000 - \$8,000	\$4,000 - \$8,000	\$2,000 - \$4,000	\$10,000 - \$20,000	Recurring	GCB General

(Parenthesis ( ) Indicate Expenditure Decreases)

Assumes a decrease in potential administrative prosecutions after a period of implementation.

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

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis: This bill would prohibit smoking at “racetracks licensed by the state racing commission with a gaming Operator’s license issued by the gaming control board.”

**FISCAL IMPLICATIONS**

Prohibitive behavior often results in additional citations for violations. NMGCB costs for prosecuting violations average between \$2,000 and \$4,000 per hearing assuming that the citation results in a hearing.

Adding to the prohibitions which patrons already face at racinos, it may result in patrons choosing alternative venues to spend their gaming dollars. Considering that four out of five of the existing casinos attached to racetracks are situated near tribal casinos, which potentially provides a patron a non-state licensed alternative, possibly reducing patronage to state casinos. Facilities who constructed non-smoking game rooms in the past, were generally unpopular and under-utilized possibly indicative of what can be expected if casinos were mandated to be non-smoking.

Implementation of a non-smoking mandate at state licensed racinos would benefit generally the health of employees and non-smokers. However, it could potentially create a competitive advantage for tribal venues who are not subject to the same mandate.

Reduced patronage to state licensed facilities could result in less taxes to the State’s General Fund. The agency is unable to determine an amount in state tax as well as the increased costs to enforce the mandate other than prosecution costs listed above.

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**

**PERFORMANCE IMPLICATIONS**

## **ADMINISTRATIVE IMPLICATIONS**

It is anticipated that this would cause an increase in customer complaints putting added burden on racetrack / casino security staff.

Determining the enforcement of the mandate would add expense to the licensed operation and the agency relied on for enforcement. Applicable enforcement citations to the licensees would fall on GCB enforcement, whereas enforcement of the mandate on patrons may fall to local enforcement agencies.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

### **TECHNICAL ISSUES**

### **OTHER SUBSTANTIVE ISSUES**

### **ALTERNATIVES**

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

Status quo would remain, so no consequences would ensue.

### **AMENDMENTS**