

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

## FISCAL IMPACT REPORT

SPONSOR Zamora LAST UPDATED \_\_\_\_\_  
ORIGINAL DATE 02/08/2025  
SHORT TITLE Gaming Control Board Director BILL \_\_\_\_\_  
Qualifications NUMBER House Bill 155  
ANALYST Montano

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

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
GCB	No fiscal impact	\$167.5	\$167.5	\$335.0	Recurring	General Fund

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

#### Agency Analysis Received From

Gaming Control Board (GCB)

New Mexico Attorney General (AG)

State Personnel Office (SPO)

#### Agency Declined to Respond

Administrative Office of the Courts (AOC)

## SUMMARY

### Synopsis of House Bill 155

House Bill 155 (HB155) amends Section 60-2E-9 NMSA 1978 of the Gaming Control Act by modifying the employment qualifications and salary limitations for the executive director of the Gaming Control Board. The bill removes the requirement the executive director have supervisory experience specifically in a governmental gaming regulatory agency, instead allowing experience in either a regulatory agency or the gaming industry. It also eliminates the salary cap that previously prevented the executive director's compensation from exceeding the governor's salary, granting the Gaming Control Board full discretion to set the position's annual salary.

The effective date of this bill is July 1, 2025.

## FISCAL IMPLICATIONS

From GCB:

The salary range for executive directors of agencies of similar size varies between 20 thousand to 30 thousand dollars higher than what the GCB is legally able to pay now. Additionally, the executive director of every other state agency, board and commission is qualified to receive the pay raises granted by the Legislature to every other state employee without limitation.

Based on the State Personnel Office's roster of state employees for July 1, 2024, or the beginning of FY25, the state had 10 executive directors. Their yearly salary ranged from \$81.5 thousand to \$157.3 thousand, which equates to an average yearly salary of \$131 thousand. Adding a 28 percent multiplier to account for state employee benefits, the estimated additional operating budget impact of an executive director for GCB would be a recurring cost of \$167.5 thousand.

## SIGNIFICANT ISSUES

GCB contends broadening the required qualifications and removing the salary cap will allow for a larger pool of possible applicants, which in turn would make the hiring process more competitive. The executive director position has been vacant at GCB since September 1, 2023.

From GCB:

The New Mexico Gaming Control Board is the only agency, board, or commission in the state with a cap on the salary of an executive director. The New Mexico Gaming Control Board has the only executive director salary that is tied to the salary of the governor of New Mexico. This makes that position ineligible for merit pay increases once the current salary cap has been reached. Additionally, they aren't eligible for pay increases granted by the state Legislature once the salary cap established by the current governor's salary has been reached.

## PERFORMANCE IMPLICATIONS

The executive director of GCB would be expected to lead the agency's operations, ensure compliance with gaming regulations, and represent the agency to other organizations and legislators. Employing a position of this magnitude could improve the performance of the agency.

NM/hj/hg