

LFC Requester:	Noah Montano
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/21/25
Bill Number: HB 546

Check all that apply:

Original Correction
 Amendment Substitute

Sponsor: Rep. Rod Montoya
Short Title: State Racing Commission Nominating Committee

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

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

SECTION III: NARRATIVE

This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator’s request. The analysis does not represent any official policy or legal position of the NM Department of Justice.

BILL SUMMARY

Synopsis: House Bill 546 (“HB546” or the “Bill”) seeks to amend and enact new sections of the Horse Racing Act found in NMSA 1978, Sections 60-1A-1 to -30 by creating the within the State Racing Commission (the “Commission”) a Nominating Committee (the “Committee”), requiring the members of the Commission to be selected from a list of qualified nominees created by the Committee, and provide language for the employment and qualifications of a an Executive Director of the Commission.

Sections 1 would amend the New Mexico Horse Racing Act at NMSA 1978, Sections 60-1A-1 to -30 (“the Act”) to provide for a “nominating committee” that would provide the Governor with a list of “qualified nominees” from which the Governor can nominate new commissioners for the Racing Commission. Previously, the Governor was not limited to such a list. The Governor’s nominations would remain subject to Senate approval; the bill re-characterizes the Senate’s approval from “confirmation” to “consent.”

Section 2 of the Bill will prohibit any person from being a qualified nominee if such person has a financial interest in a licensee regulated by the commission or has a relative within one degree of consanguinity with a financial interest.

Section 3 of the Bill would establish the composition and qualifications of the nominating committee, consisting of nine members. It also establishes the meeting requirements for the nominating committee, which would be tied to the expiration of existing members’ terms or to any new vacancies.

Section 4 would amend NMSA 1978, Section 60-1A-4(B) to direct the Commission to appoint an executive director.

Section 5 would add a new Section to the Act to establish the qualifications for the aforementioned executive director. Such qualifications include a prohibition on either a “direct or indirect” financial interest in a racetrack or the operation of wagering on races.

Section 6 of the Bill establishes July 1, 2025 as the proposed effective date for these amendments to the Act.

FISCAL IMPLICATIONS

N/A

SIGNIFICANT ISSUES

N/A

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relationship:

House Bill 367: Amending the time frame for the number of live race days necessary for a racetrack to maintain a gaming operator's license.

Senate Bill 92: Creating the Horse Racing Integrity and Safety Authority and Jockey and Exercise Rider Insurance Fund, providing a process for paying the costs of jockey and exercise rider insurance and complying with state and federal law by creating an appropriation.

Senate Bill 323: Providing that the New Mexico Horseman's Association is the Horseracing Act of 1978, providing that certain wagering and gaming machines are permitted on weeks of races, and providing that the state auditor may audit racetracks.

Senate Bill 328: Revising provisions governing racetrack licenses and gaming operator licenses and providing for confidentiality of certain documents.

Senate Bill 513: Amending the time frame for the number of live race days necessary for a racetrack to maintain a gaming operator's license and establishing a race meet minimum length of time.

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

The prohibition in Section 5 on "indirect...financial interest" may be too broadly or vaguely stated. An "indirect" financial interest does not appear to be a standard used elsewhere in New Mexico law.

To the extent this bill intends to either supersede or be read harmoniously with the restrictions on public officials having financial interests in the matters relating to their office as set forth in the Governmental Conduct Act at NMSA 1978, Sections 10-26-1 to -18, specifying such intent may add clarity.

ALTERNATIVES

None noted.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo.

AMENDMENTS

None noted.