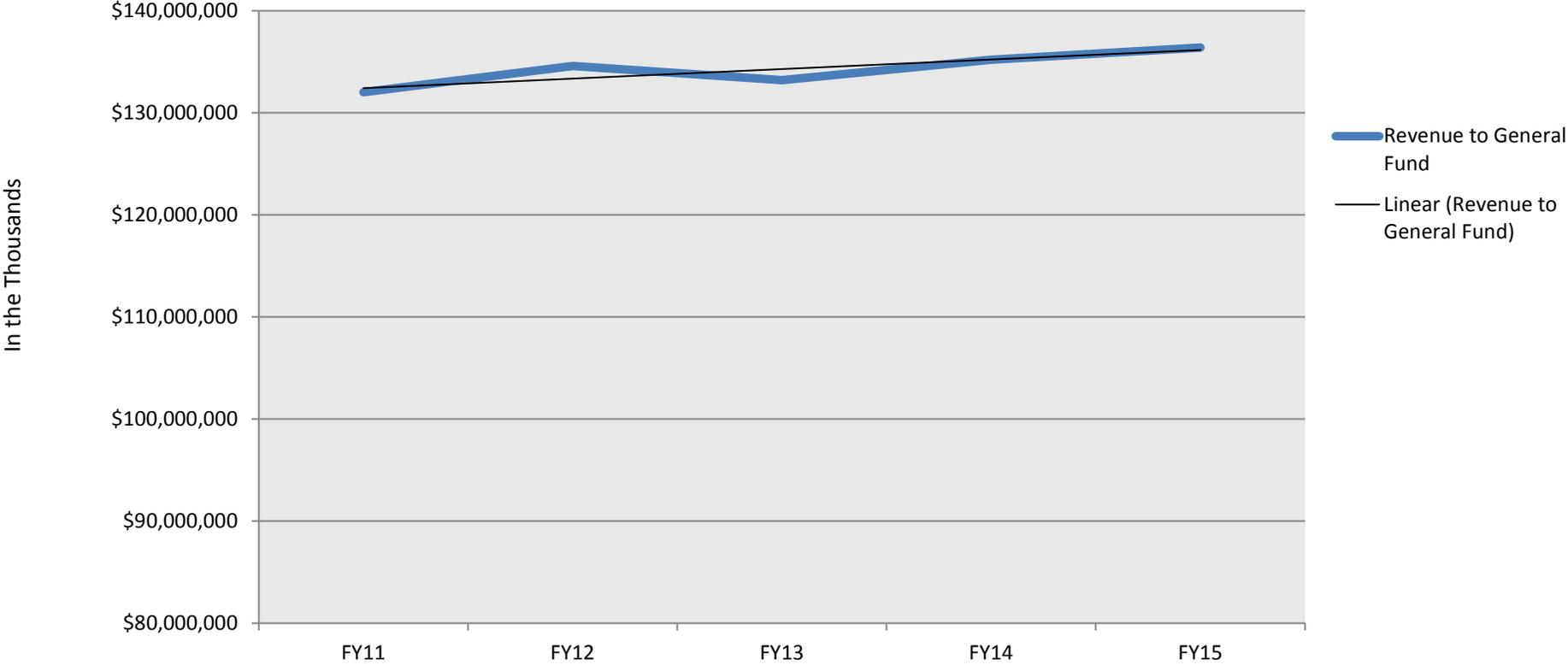


# Gaming Trends

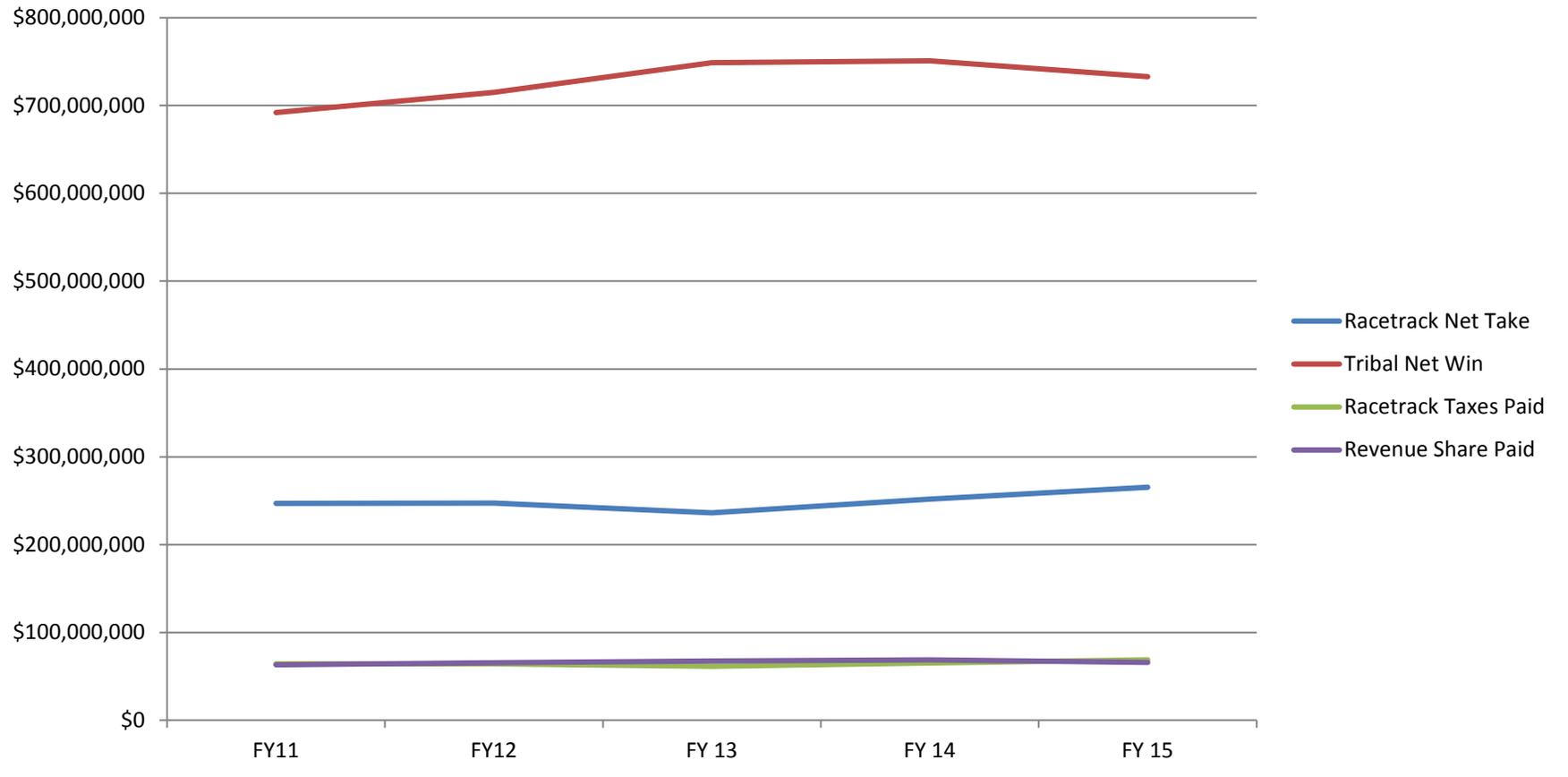
Revenue Stabilization and Tax Policy Committee

August 13, 2015

# NMGCB REVENUE TO GENERAL FUND



## Tribal Net Win and Revenue Share, Racetrack Net Take and Gaming Taxes



**ESTIMATED NON-TRIBAL GAMING TAX REVENUE  
FY16**

<b>PERCENT INCREASE</b>	<b>FY15 TAX REVENUE **</b>	<b>ESTIMATED FY16 TAX REVENUE</b>	<b>ESTIMATED CHANGE IN PURSE CONTRIBUTION</b>
-0.50%	\$70,610,585	\$70,257,532.08	-\$70,611
0.00%	\$70,610,585	\$70,610,585.00	\$0
0.50%	\$70,610,585	\$70,963,637.93	\$70,611
1.00%	\$70,610,585	\$71,316,690.85	\$141,221
1.50%	\$70,610,585	\$71,669,743.78	\$211,832
2.00%	\$70,610,585	\$72,022,796.70	\$282,442

**\*\*INCLUDES 3 YEAR AVERAGE OF JUNE MANUFACTURER & DISTRIBUTOR GAMING TAXES  
JUNE 2015 MANUFACTURER & DISTRIBUTOR GAMING TAX DATA NOT YET SUBMITTED BY NMTRD**

**SHADED AREA IS MOST LIKELY RANGE**

**INCLUDES RACE TRACK GAMING TAX AT 26% AND MANUFACTURERS AND DISTRIBUTORS GAMING TAX AT 10%**

**The approval of the 2015 Tribal-State Class III Gaming Compact yields the following fiscal implications:**

All Tribes sign (exception of Pojoaque)

<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY 2019</b>
<b>\$6,911,489</b>	<b>\$7,122,733</b>	<b>\$7,340,315</b>	<b>\$14,156,453</b>

In order to determine the fiscal implications of the proposed 2015 Tribal-State Class III Gaming Compact, the following assumptions are being made:

The Pueblo of Pojoaque does not sign, but that all other 2001 Tribes sign the 2015 Compact. Additionally, it assumes that all 2007 Tribes will sign onto the 2015 Compact due to more favorable terms.

The numbers were derived by taking FY14 actual Net Win by tribe, multiplying by 2.9% to arrive at FY15, and then increasing each year by 3 percent. Considers the official state forecast which currently assumes a zero revenue for the 2001 Tribes.

The Gaming Control Board has no basis for estimating the revenue share by the Pueblo of Jemez either currently or in future years. As such, the above fiscal implications exclude the Pueblo of Jemez.

Net Win will grow at the consensus rate. However, there is concern that the consensus rate will be adjusted downward due to market conditions in the Albuquerque area.

In the event that only the 2001 Tribes (with the exception of Pojoaque) sign, the estimated revenue is, as follows:

**only 2001 Tribes sign\***

<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY 2019</b>
<b>\$16,215,428</b>	<b>\$16,701,891</b>	<b>\$17,202,948</b>	<b>\$17,953,145</b>

Note: Remainder of assumptions stay the same.

SIGNIFICANT ISSUES: THE PUEBLO OF POJOAQUE--In the event that the Pueblo of Pojoaque signs onto the 2015 Compact, the tables below compare the revenue that would have been generated with the extension of current compacts (2001 or 2007 Compact) versus the revenue generated under the 2015 Compact, as follows:

only 2001 Tribes sign\*

FY2016	FY2017	FY2018	FY 2019
\$2,150,912	\$2,209,439	\$2,269,723	\$2,459,827

all Tribes sign\*

FY2016	FY2017	FY2018	FY 2019
(\$2,957,202)	(\$3,042,019)	(\$3,129,379)	\$3,153,991

OTHER SUBSTANTIVE ISSUES: In addition to the above assumptions, it should be noted that there are a number of gaming Tribes of New Mexico that are not currently deducting free play and/or point play. As a result of the 2015 Compact, there will be an estimated **two (2) million dollar loss** per year to revenue (that will grow with inflation at 3% per year), which is not reflected in the above calculations.