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## FISCAL IMPACT REPORT

SPONSOR: Nava DATE TYPED: 03/06/01 HB \_\_\_\_\_  
 SHORT TITLE: Gaming Tax Revenue Distributions SB 491  
 ANALYST: Rael

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
	\$ (1,350.0)	\$ (1,470.0)	Recurring	General Fund
	\$ 1,350.0	\$ 1,470.0	Recurring	Local Government

(Parenthesis ( ) Indicate Revenue Decreases)

Relates to SB 797 and SB 803

### SOURCES OF INFORMATION

Taxation and Revenue Department (TRD)  
 Gaming Control Board  
 Racing Commission

### SUMMARY

#### Synopsis of Bill

This bill provides for a distribution of 6 1/2% to each municipality of the net tax attributable to the gaming tax paid by a racetrack gaming operator licensee doing business within municipal boundaries and a similar distribution to a county, if the racetrack gaming operator licensee is doing business outside municipal boundaries. The Gaming Act is amended to require these distributed funds to be used for local infrastructure or police protection.

### FISCAL IMPLICATIONS

TRF reports that there is a confidentiality problem with calculating the 6.5% distribution for each of the four jurisdictions currently involved in racetrack gambling. However, the total amount to be distributed to the three cities and one county (State Fairgrounds are exterior to the boundaries of Albuquerque) may be divulged. This estimate assumes that total net win is primarily determined by the number of machines and until a fifth racetrack casino is licensed, and a fifth local government shares in this distribution, the money will only grow 5% per year.

### ADMINISTRATIVE IMPLICATIONS

TRD will be required to do a manual distribution which will require about 2 hours per month.

**OTHER SUBSTANTIVE ISSUES**

The Downs at Albuquerque is located on the State Fair Grounds. The Fair Grounds is not a part of the City of Albuquerque. The boundary between the city of Albuquerque and the Fair Grounds is the interior boundaries of the city not the exterior boundary. It is unclear whether or not the County of Bernalillo or the City of Albuquerque is entitled to any funds resulting from the passing of the Bill.

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