

NEW MEXICO

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KEY STATE INFORMATION

NUMBER OF COMMERCIAL CASINOS

5

CASINO FORMAT

Racinos

REGULATORY AUTHORITY

New Mexico Gaming Control Board

GROSS CASINO GAMING REVENUE 2024

\$261.4M

CASINO TAX REVENUE 2024

\$117.8M



Market Overview

New Mexico offers commercial casino gaming at five racinos. Electronic gaming devices at licensed racetracks were authorized under a 1997 state law and are regulated by the New Mexico Gaming Control Board.

Although there is no statutory limit on the number of racinos that may operate in New Mexico, under the state's existing compacts with its federally-recognized tribes, no more than six commercial racinos are allowed.

Racinos are restricted to a maximum of 750 electronic gaming devices and are not permitted to offer table games. New Mexico is also the only state that maintains restrictions on the operating hours at all of its commercial casino properties. Electronic gaming devices at racetracks may only be operated on days when live or simulcast horse races are being held, up to 18 hours per day, and may not exceed a total of 112 operating hours in a one-week period.

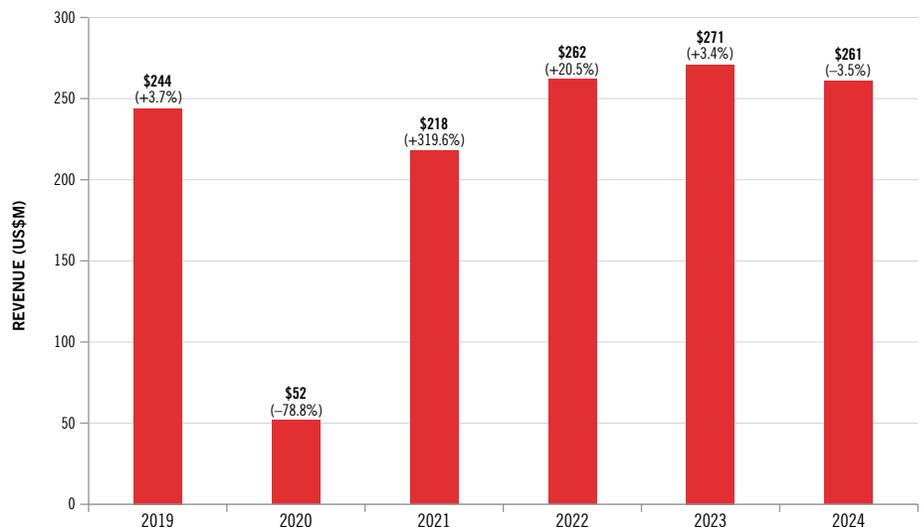
Market Performance

In 2024, total commercial casino gaming revenue from the operation of electronic gaming devices at racetracks was \$261.4 million. While the annual total was the third-highest ever, it was down 3.5 percent from 2023.

Gaming Tax Distribution

New Mexico commercial casino gaming revenue is taxed at an effective rate of 46.25 percent.

NEW MEXICO: COMMERCIAL CASINO GAMING REVENUE (US\$M) 2019 to 2024



SOURCE: New Mexico Gaming Control Board

New Mexico

In 2024, New Mexico commercial racinos generated total gaming tax revenue of approximately \$117.8 million, down 4.2 percent against the previous year.

Of that amount, roughly \$64.8 million was distributed to the state's General Fund which is allocated each year for state budgetary expenditures by the New Mexico Department of Revenue, subject to approval by the state legislature.

An additional \$52.3 million in commercial casino gaming tax revenue was distributed to New Mexico's horse racing industry to supplement race purses, with the remainder allocated to the funding of problem gambling services.

Competitive Landscape

New Mexico commercial casinos face considerable competition from the state's 21 tribal casinos operated by 13 federally recognized Indian tribes. Unlike the state's racinos, tribal casinos are permitted to offer table games and sports betting in addition to electronic gaming devices. In 2024, New Mexico tribal casinos generated \$855.7 million in casino gaming revenue, up 2.5 percent versus the prior year.

New Mexico racinos face more limited competition from licensed non-profit organizations, such as veteran and fraternal groups, which are authorized to operate a maximum of 15 electronic gaming devices with restricted payouts.

While state law provides for a sixth racino in the state, the New Mexico Racing Commission in 2018 rejected all applications for that final racetrack license and has yet to resume the licensing process.

Policy & Regulatory Review

Regulatory Reform

In December, the New Mexico Gaming Control Board published a series of draft amendments to regulations applicable to commercial casino gaming facilities.

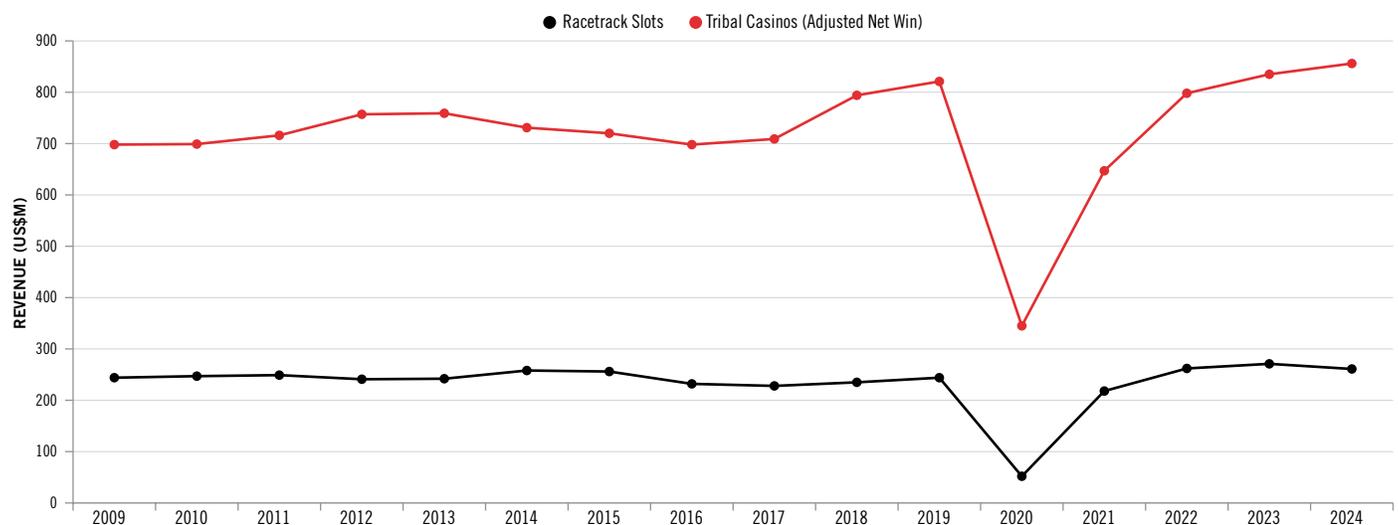
Under the proposed rules, racino operators would be formally required to follow the control board's minimum standards when developing a compulsive gambling assistance plan. Current rules technically only require that the New Mexico regulator establish minimum standards. The proposed amendments also would grant a responsible gaming coordinator within the New Mexico Gaming Control Board the authority to evaluate and recommend for approval or rejection each racino operator's responsible gambling plan; under current rules, such authority lies with the New Mexico Department of Health.

Elsewhere, the proposed regulations would also update the annual licensing fee for racino operators as well as for various categories of gaming suppliers, for the first time since the gaming control board was established in 1998.

The proposed amendments were due to be subject to public consultation and potential adoption by the New Mexico Gaming Control Board in 2025.

NEW MEXICO: GAMING REVENUE BY VENUE TYPE (US\$M) 2009 to 2024

While New Mexico's five commercial racinos reported a decline in revenue from electronic gaming devices in 2024, the state's much larger tribal gaming reported a 2.5 percent increase in casino gaming revenue.



SOURCE: New Mexico Gaming Control Board