

**BILL #** SB 1474

**TITLE:** racing; simulcasting; advance deposit wagering

**SPONSOR:** Burns

**STATUS:** House Engrossed

**REQUESTED BY:** Senate

**PREPARED BY:** Chris Cranny

## **FISCAL ANALYSIS**

### **Description**

SB 1474 modifies statute pertaining to simulcast greyhound, horse, and harness racing and wagering.

### **Estimated Impact**

JLBC Staff estimates that the bill would not impact state General Fund revenues as simulcast racing is not subject to the pari-mutuel tax.

The Department of Racing estimates that the bill will require between 1 and 2 additional auditors and \$75,000 annually from the General Fund for costs associated with regulation of new simulcast race wagering.

### **Analysis**

Currently, the Department of Racing regulates live greyhound and horse racing. It does not regulate simulcasts broadcast in Arizona that originate from other states since these simulcasts are regulated in the state from which they originate. The department monitors wagers primarily through the daily examination of computer records and also through several annual site visits to racetracks.

This bill would allow simulcast wagering on harness racing, simulcast wagering on live Arizona races within Arizona, and wagering on races not televised at Off-Track-Betting facilities in addition to the previously existing types of racing. The department estimates an annual General Fund cost of \$75,000 for regulatory staff due to the new types of simulcasting allowed by the bill.

It is likely that the bill will increase the department's regulatory responsibilities. The need for additional staff, however, will ultimately depend on the actual level of increased wagering generated by SB 1474 and the department's ability to regulate the increased wagering with existing staff resources. The department does not currently have any available workload measures necessary to estimate what level of additional wagering will require new staff.

Increased wagering created by the bill will generate additional revenues for racetrack operators. These revenues, however, will not translate into a General Fund impact as all simulcast races are exempt from parimutuel taxes.

### **Local Government Impact**

None

4/18/05