



New Mexico Racing Commission

FY26 Appropriation Request
Agency 46900
September 1, 2024

FY26 Appropriation Request Checklist

Agency Name: New Mexico Racing Commission

Business Unit: 46900

Reports to Include in PDF Submission

	Form #	Title	
X	<input type="checkbox"/>	Cvr Ltr Cover Letter	<i>Agency Level</i>
X	<input type="checkbox"/>	S-1 Certification	<i>Agency Level</i>
X	<input type="checkbox"/>	S-2 Organizational Chart	<i>Agency/Program Level</i>
X	<input type="checkbox"/>	S-8 Financial Summary (BFM)	<i>Agency/Program Level</i>
X	<input type="checkbox"/>	S-9 Account Code Revenue / Expenditure Report	<i>Agency/Program Level</i>
X	<input type="checkbox"/>	S-10 Fund Balance Projection	<i>Fund Level</i>
X	<input type="checkbox"/>	S-13 Detail of Rate Line Items (see instructions)	<i>Agency Level</i>
X	<input type="checkbox"/>	P-1 Program Narrative	<i>Program Level</i>
X	<input type="checkbox"/>	R-2 Transfer Report	<i>Agency Level</i>
X	<input type="checkbox"/>	REV/EXP Revenue-Expenditure Comparison Report	<i>Agency/Program Level</i>
N/A	<input type="checkbox"/>	FFRW Detail of Federal Funds Revenue Worksheet	<i>Agency/Program Level</i>
X	<input type="checkbox"/>	EB-1 Expansion Justifications	<i>Program Level</i>
X	<input type="checkbox"/>	EB-2 Expansion Fiscal Summary	<i>Program Level</i>
X	<input type="checkbox"/>	EB-3 Expansion Line Item Detail	<i>Program Level</i>
X	<input type="checkbox"/>	LFR Legislating for Results Expansion Tool	<i>Program Level</i>
X	<input type="checkbox"/>	E4 Pcode Detail	<i>Program Level</i>
X	<input type="checkbox"/>	E5 Contract by Pcode	<i>Program Level</i>
N/A	<input type="checkbox"/>	SAR Special Appropriation Request Report	<i>Agency Level</i>
X	<input type="checkbox"/>	APR Annual Performance Report	<i>Program Level</i>
X	<input type="checkbox"/>	Table 2 Table 2 Performance Measure Summary	<i>Program Level</i>
X	<input type="checkbox"/>	SP Strategic Plan	<i>Agency Level</i>
N/A	<input type="checkbox"/>	ITP Information Technology Plan	<i>Agency Level</i>
N/A	<input type="checkbox"/>	C-1 Base Operating Budget	<i>Agency Level</i>
N/A	<input type="checkbox"/>	C-2 IT Request Plan	<i>Agency Level</i>
N/A	<input type="checkbox"/>	Perf Audit Update to LFC Performance Audits (within last 2 years)	<i>Agency Level</i>

Documents to Attach in BFM (PDF Optional)

Where to Attach

X	<input type="checkbox"/>	Board Cert Board or Commission Budget Certification	<i>Form 9900</i>
X	<input type="checkbox"/>	E-6B Leased Passenger-Related Vehicles	<i>Form 3300/4300</i>



MICHELLE LUJAN-GRISHAM
Governor

BILLY SMITH
Chairman
JOHN BUFFINGTON
Vice-Chairman
MARY KAY PAPER
Member

ROBERT PITRE
Member
VACANT
Member
ISMAEL "IZZY" TREJO
Executive Director

September 1, 2024

Department of Finance and Administration
State Budget Division
407 Galisteo Street - Room 166
Bataan Memorial Building
Santa Fe, NM 87501

Deputy Secretary/State Budget Director,

The State Racing Commission respectfully submits its FY26 Appropriation Request, below is a brief summation by category:

- 200 – Personnel Services – the appropriation request includes a 10% self-imposed vacancy rate, or approximately 2 vacant positions. In FY24, the agency hired two Gov-X Veterinarians at a competitive salary. A majority of the FY26 budget request increase is due to the hiring of the new Veterinarians. In addition, there was an increase in employee liability that would force the agency to take an unrealistic vacancy rate. The agency does not have a high turnover rate, so a 10% vacancy rate is realistic. The agency currently has three positions vacant but has selected and is in the process of hiring a new Investigator. The agency respectfully requests an expansion in the amount of \$1.5 million to hire seven positions that are essential in not only growing the agency to serve a dynamic industry, but also to remain in compliance with the federal Horseracing Integrity and Safety Act. The expansion is essential to the agency for it to continue to serve the industry as regulators and keep equine catastrophic injuries to a minimal.

- 300 – Contractual – the appropriation request in the contractual category has remained flat with FY25 operating budget. There was a \$1,200 increase in our Audit amount for the Agency’s annual financial audit.
- 400 – Other – the appropriation request was the second reason for the increase to the budget request in FY26. The agency’s building lease is up for RFP. Per the General Services Division (GSD), the square footage of space in Albuquerque has increased in price to over \$25.00 per square foot. The General Services Department estimates the new location will cost approximately \$125,000. The agency also added \$15,000 for the payment of utilities and possibly janitorial services. Under the current lease, a majority of utilities and janitorial services are paid by an agency that resides in the same building. As part of the expansion request, the agency is requesting \$85,500.00 to fund the 7 FTE that are being requested in the expansion. The new staff will need new laptops, furniture, a vehicle, and additional funds to travel to the various racetracks around the state. Finally, the 400-category increased due to an increase in replacing vehicles. GSD has implemented a replacement fee, and the agency has two vehicles that are over the 100,000-mileage mark for replacement.

In FY24, the agency generated \$1,348,126.53 in revenue for the General Fund and the Current Year School Fund through pari-mutuel taxes, fines, and licensing. Overall, the New Mexico Racing Commission is requesting a 10% increase over the FY25 operating budget, or approximately \$693,840.00. The agency has accomplished a lot of goals with a small team and budget; however, we are respectfully requesting an expansion in FY26 so that we can enhance the safety and welfare of the equine athlete. In FY24, the agency dealt with a catastrophic injury rate that was approximately two times the national average, prompting a mandate to improve the welfare of racehorses in New Mexico and the realization that additional funds and staff are needed to properly care for the equine athlete.

Respectfully,



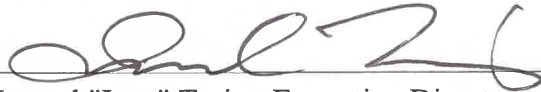
Ismael “Izzy” Trejo
NMRC Executive Director

**APPROPRIATION REQUEST
CERTIFICATION
FORM S-1**

Agency Name: State Racing Commission

Business Unit: 46900

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the arithmetic accuracy of all numeric information has been verified.



Ismael "Izzy" Trejo, Executive Director



Billy Smith, Chairman



Amber Trujillo, Chief Financial Officer

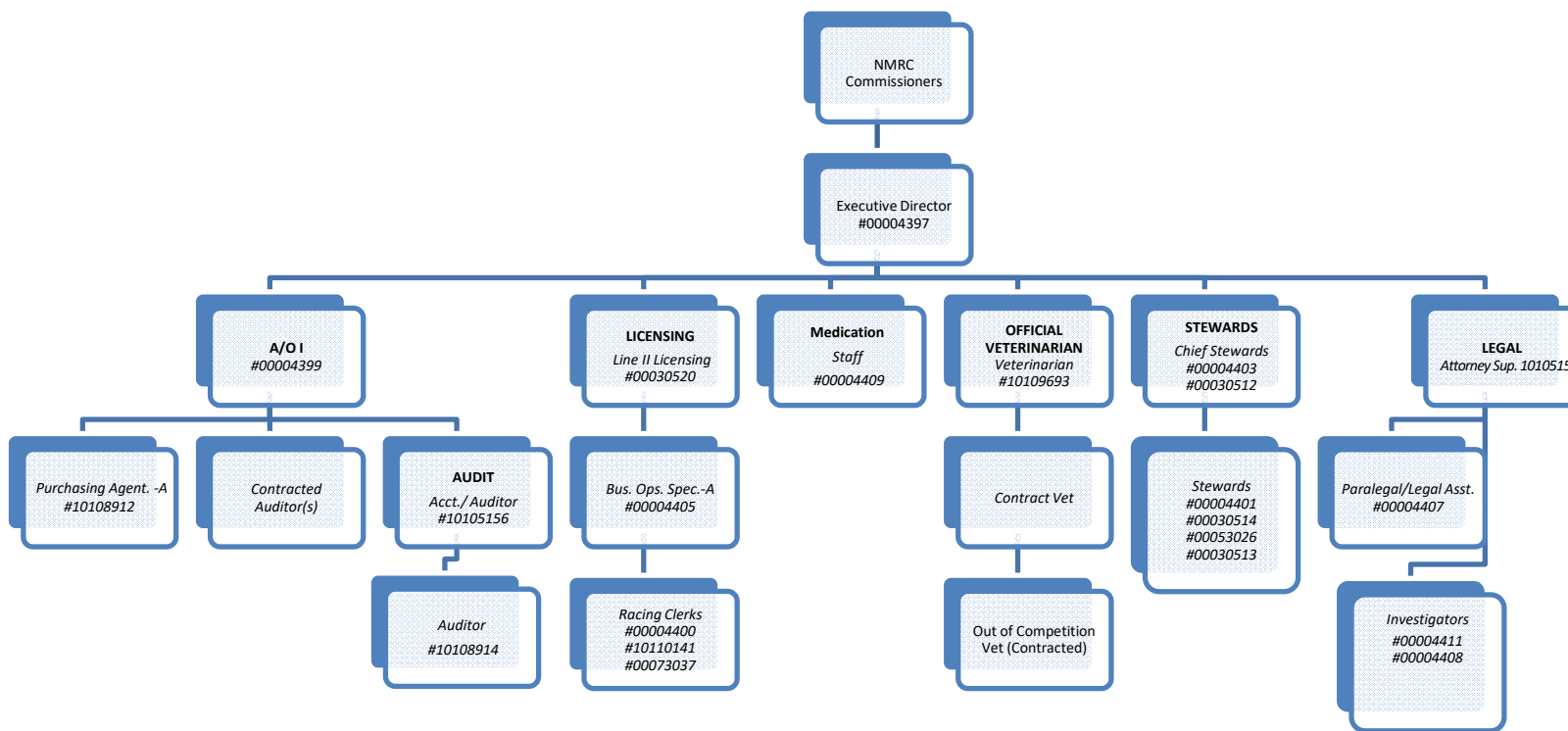
4900 Alameda Blvd. NE
Suite A
Albuquerque, NM 87113

505-859-2366

Amber.Trujillo@rc.nm.gov

Note: Appropriation Requests for agencies headed by a board or commission must be approved by the board or commission by official action and signed by the chairperson. Operating Budgets of other agencies must be signed by the director or secretary. Appropriation Requests not properly signed will be returned.

APPROPRIATION REQUEST ORGANIZATION CHART FORM S-2



Check Box if this form is a revision

Revision no:

Revision Date: 6/30/2011

Page

S-8 Financial Summary

(Dollars in Thousands)

BU PCode Department
46900 0000 0000000000

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	Base	----- FY 2026 Agency Request ----- Expansion	Total
REVENUE							
111 General Fund Transfers	2,871.3	2,765.9	3,062.1	0.0	3,755.9	1,476.7	5,232.6
112 Other Transfers	0.0	105.4	0.0	0.0	0.0	0.0	0.0
130 Other Revenues	1,000.0	3,871.9	4,000.0	0.0	4,000.0	0.0	4,000.0
REVENUE, TRANSFERS	3,871.3	6,743.2	7,062.1	0	7,755.9	1,476.7	9,232.6
REVENUE	3,871.3	6,743.2	7,062.1	0	7,755.9	1,476.7	9,232.6
EXPENSE							
200 Personal Services and Employee Benefits	2,007.8	1,501.3	2,198.6	2,760.9	2,758.1	1,391.2	4,149.3
300 Contractual services	1,539.9	2,302.3	3,039.9	0.0	3,141.8	0.0	3,141.8
400 Other	323.6	1,478.9	1,823.6	0.0	1,856.0	85.5	1,941.5
EXPENDITURES	3,871.3	5,282.5	7,062.1	2,760.93	7,755.9	1,476.7	9,232.6
EXPENSE	3,871.3	5,282.5	7,062.1	2,760.93	7,755.9	1,476.7	9,232.6
FTE POSITIONS							
810 Permanent	19.90	20.00	21.90	20.00	21.90	7.00	28.90
820 Term	0.00	3.00	0.00	3.00	0.00	0.00	0.00
FTEs	19.90	23.00	21.90	23.00	21.90	7.00	28.90
FTE POSITIONS	19.90	23.00	21.90	23.00	21.90	7.00	28.90

State of New Mexico
S-8 Financial Summary
 (Dollars in Thousands)

BU **PCode** **Department**
 46900 P681 000000

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	Base	----- FY 2026 Agency Request ----- Expansion	Total
REVENUE							
111 General Fund Transfers	2,871.3	2,765.9	3,062.1	0.0	3,755.9	1,476.7	5,232.6
112 Other Transfers	0.0	105.4	0.0	0.0	0.0	0.0	0.0
130 Other Revenues	1,000.0	3,871.9	4,000.0	0.0	4,000.0	0.0	4,000.0
REVENUE, TRANSFERS	3,871.3	6,743.2	7,062.1	0.0	7,755.9	1,476.7	9,232.6
REVENUE	3,871.3	6,743.2	7,062.1	0.0	7,755.9	1,476.7	9,232.6
EXPENSE							
200 Personal Services and Employee Benefits	2,007.8	1,501.3	2,198.6	2,760.9	2,758.1	1,391.2	4,149.3
300 Contractual services	1,539.9	2,302.3	3,039.9	0.0	3,141.8	0.0	3,141.8
400 Other	323.6	1,478.9	1,823.6	0.0	1,856.0	85.5	1,941.5
EXPENDITURES	3,871.3	5,282.5	7,062.1	2,760.93	7,755.9	1,476.7	9,232.6
EXPENSE	3,871.3	5,282.5	7,062.1	2,760.93	7,755.9	1,476.7	9,232.6
FTE POSITIONS							
810 Permanent	19.90	20.00	21.90	20.00	21.90	7.00	28.90
820 Term	0.00	3.00	0.00	3.00	0.00	0.00	0.00
FTEs	19.90	23.00	21.90	23.00	21.90	7.00	28.90
FTE POSITIONS	19.90	23.00	21.90	23.00	21.90	7.00	28.90

BU PCode Department
46900 0000 0000000000

S-9 Account Code Revenue/Expenditure Summary
(Dollars in Thousands)

		2023-24	2023-24	2024-25	2025-26	----- FY 2026 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
499105	General Fd. Appropriation	2,871.3	2,765.9	3,062.1	0.0	3,755.9	1,476.7	5,232.6
111	General Fund Transfers	2,871.3	2,765.9	3,062.1	0.0	3,755.9	1,476.7	5,232.6
499905	Other Financing Sources	0.0	105.4	0.0	0.0	0.0	0.0	0.0
112	Other Transfers	0.0	105.4	0.0	0.0	0.0	0.0	0.0
409201	Pari-Mutuel Tax	700.0	581.8	700.0	0.0	700.0	0.0	700.0
413302	Racing Daily License Fees	0.0	41.3	0.0	0.0	0.0	0.0	0.0
418902	Other Filing Fees	0.0	1.2	0.0	0.0	0.0	0.0	0.0
422902	Other Fees	0.0	3,247.5	3,000.0	0.0	3,000.0	0.0	3,000.0
424902	Other Intra State Services	300.0	0.0	300.0	0.0	300.0	0.0	300.0
130	Other Revenues	1,000.0	3,871.9	4,000.0	0.0	4,000.0	0.0	4,000.0
TOTAL REVENUE		3,871.3	6,743.2	7,062.1	0	7,755.9	1,476.7	9,232.6
520100	Exempt Perm Positions P/T&F/T	616.6	363.0	563.1	1,020.4	956.4	1,000.0	1,956.4
520200	Term Positions	0.0	83.3	48.7	193.2	61.8	0.0	61.8
520300	Classified Perm Positions F/T	780.6	604.7	890.4	883.4	855.9	32.6	888.5
520600	Paid Unused Sick Leave	0.0	0.6	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	20.0	37.0	15.0	0.0	15.0	0.0	15.0
520800	Annl & Comp Paid At Separation	10.0	3.8	8.1	0.0	8.1	0.0	8.1
521100	Group Insurance Premium	110.5	65.2	124.2	102.2	123.3	202.2	325.5
521200	Retirement Contributions	270.0	190.8	268.4	390.9	356.0	0.0	356.0
521300	F I C A	115.1	80.5	118.2	129.1	149.3	77.3	226.6
521400	Workers' Comp Assessment Fee	0.2	0.1	0.2	0.0	0.8	0.3	1.1
521410	GSD Work Comp Insur Premium	1.1	1.1	1.0	0.0	1.2	0.4	1.6
521500	Unemployment Comp Premium	0.5	0.4	6.5	0.0	0.0	0.0	0.0
521600	Employee Liability Ins Premium	51.2	51.0	122.2	0.0	191.2	58.2	249.4
521700	RHC Act Contributions	32.0	19.8	32.6	41.9	39.1	20.2	59.3
200	Personal Services and Employee Bene	2,007.8	1,501.3	2,198.6	2,760.9	2,758.1	1,391.2	4,149.3
535100	Medical Services	1,332.7	594.3	1,000.0	0.0	1,000.0	0.0	1,000.0
535200	Professional Services	55.0	213.7	416.2	0.0	416.2	0.0	416.2
535300	Other Services	0.7	1,391.7	1,501.2	0.0	1,601.4	0.0	1,601.4
535309	Other Services - Interagency	80.5	67.5	92.0	0.0	92.0	0.0	92.0
535400	Audit Services	55.4	27.4	25.0	0.0	26.2	0.0	26.2
535500	Attorney Services	12.0	7.7	5.5	0.0	6.0	0.0	6.0
535600	IT Services	3.6	0.0	0.0	0.0	0.0	0.0	0.0

BU PCode Department
46900 0000 0000000000

S-9 Account Code Revenue/Expenditure Summary
(Dollars in Thousands)

		2023-24	2023-24	2024-25	2025-26	----- FY 2026 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
300	Contractual services	1,539.9	2,302.3	3,039.9	0.0	3,141.8	0.0	3,141.8
542100	Employee I/S Mileage & Fares	5.0	3.4	4.4	0.0	4.4	8.0	12.4
542200	Employee I/S Meals & Lodging	60.0	119.0	85.0	0.0	119.0	40.0	159.0
542300	Brd & Comm Mbr Meals & Lodging	3.0	0.7	1.7	0.0	1.5	0.0	1.5
542310	Brd & Comm Mbr Mileage & Fares	2.0	2.7	2.1	0.0	2.7	0.0	2.7
542500	Transp - Fuel & Oil	11.0	6.5	12.0	0.0	8.0	0.0	8.0
542700	Transp - Transp Insurance	0.4	0.4	0.4	0.0	0.5	0.0	0.5
542800	State Transp Pool Charges	22.7	10.6	16.3	0.0	22.4	5.5	27.9
543200	Maint - Furn, Fixt, Equipment	2.0	1.6	0.0	0.0	0.0	0.0	0.0
543300	Maint - Buildings & Structures	0.4	0.0	0.0	0.0	0.0	0.0	0.0
543400	Maint - Property Insurance	0.1	0.0	0.1	0.0	0.0	0.0	0.0
543500	Maint - Supplies	0.0	0.0	0.1	0.0	0.1	0.0	0.1
543820	Maintenance IT	2.0	2.3	1.5	0.0	2.3	0.0	2.3
543830	IT HW/SW Agreements	0.0	0.4	0.0	0.0	0.0	0.0	0.0
544000	Supply Inventory IT	2.0	26.6	11.8	0.0	11.8	0.0	11.8
544100	Supplies-Office Supplies	5.0	3.4	3.8	0.0	3.8	8.0	11.8
544200	Supplies-Medical, Lab, Personal	1.8	14.3	1.0	0.0	14.0	0.0	14.0
544400	Supplies-Field Supplies	1.0	0.1	0.0	0.0	0.0	4.0	4.0
544900	Supplies-Inventory Exempt	0.0	7.7	4.8	0.0	4.0	20.0	24.0
545600	Reporting & Recording	12.0	10.2	5.1	0.0	8.0	0.0	8.0
545700	ISD Services	13.5	19.3	18.0	0.0	21.6	0.0	21.6
545710	DOIT HCM Assessment Fees	7.2	6.5	7.6	0.0	8.1	0.0	8.1
545900	Printing & Photo Services	2.0	2.0	2.9	0.0	2.5	0.0	2.5
546100	Postage & Mail Services	10.0	15.5	13.0	0.0	13.0	0.0	13.0
546300	Utilities	0.0	0.0	0.0	0.0	15.0	0.0	15.0
546400	Rent Of Land & Buildings	74.0	72.0	74.0	0.0	125.0	0.0	125.0
546500	Rent Of Equipment	8.0	3.3	7.0	0.0	5.0	0.0	5.0
546600	Communications	7.0	0.0	0.0	0.0	0.0	0.0	0.0
546610	DOIT Telecommunications	16.0	19.3	18.0	0.0	19.2	0.0	19.2
546700	Subscriptions/Dues/License Fee	13.0	13.0	13.1	0.0	13.1	0.0	13.1
546800	Employee Training & Education	5.0	4.9	6.1	0.0	5.0	0.0	5.0
546810	Board Member Training	2.0	0.0	0.0	0.0	0.0	0.0	0.0
546900	Advertising	2.5	7.3	0.6	0.0	5.0	0.0	5.0

BU PCode Department
46900 0000 0000000000

S-9 Account Code Revenue/Expenditure Summary
(Dollars in Thousands)

		2023-24	2023-24	2024-25	2025-26	----- FY 2026 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
547000	Legal Settlements	10.5	0.0	0.0	0.0	0.0	0.0	0.0
547360	Insurance Premiums-non_payroll	0.0	1,071.7	1,500.0	0.0	1,400.0	0.0	1,400.0
547900	Miscellaneous Expense	1.0	0.7	1.0	0.0	1.0	0.0	1.0
548300	Information Tech Equipment	0.0	9.8	0.0	0.0	0.0	0.0	0.0
549600	Employee O/S Mileage & Fares	6.0	8.5	4.0	0.0	8.0	0.0	8.0
549700	Employee O/S Meals & Lodging	8.0	15.1	8.2	0.0	12.0	0.0	12.0
549800	Brd & Comm O/S Mileage & Fares	4.0	0.0	0.0	0.0	0.0	0.0	0.0
549900	Brd & Comm O/S Meals & Lodging	3.5	0.0	0.0	0.0	0.0	0.0	0.0
400	Other	323.6	1,478.9	1,823.6	0.0	1,856.0	85.5	1,941.5
TOTAL EXPENSE		3,871.3	5,282.5	7,062.1	2,760.93	7,755.9	1,476.7	9,232.6
810	Permanent	19.90	20.00	19.90	20.00	21.90	7.00	28.90
810	Permanent	19.90	20.00	19.90	20.00	21.90	7.00	28.90
820	Term	0.00	3.00	0.00	3.00	0.00	0.00	0.00
820	Term	0.00	3.00	0.00	3.00	0.00	0.00	0.00
TOTAL FTE POSITIONS		19.90	23.00	19.90	23.00	21.90	7.00	28.90

Horse Racing Regulation

BU PCode Department
46900 P681 000000

State of New Mexico

S-9 Account Code Revenue/Expenditure Summary
(Dollars in Thousands)

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111	General Fund Transfers	2,871.3	2,765.9	3,062.1	0.0	3,755.9	1,476.7	5,232.6
499905	Other Financing Sources	0.0	105.4	0.0	0.0	0.0	0.0	0.0
112	Other Transfers	0.0	105.4	0.0	0.0	0.0	0.0	0.0
409201	Pari-Mutuel Tax	700.0	581.8	700.0	0.0	700.0	0.0	700.0
413302	Racing Daily License Fees	0.0	41.3	0.0	0.0	0.0	0.0	0.0
418902	Other Filing Fees	0.0	1.2	0.0	0.0	0.0	0.0	0.0
422902	Other Fees	0.0	3,247.5	3,000.0	0.0	3,000.0	0.0	3,000.0
424902	Other Intra State Services	300.0	0.0	300.0	0.0	300.0	0.0	300.0
130	Other Revenues	1,000.0	3,871.9	4,000.0	0.0	4,000.0	0.0	4,000.0
TOTAL REVENUE		3,871.3	6,743.2	7,062.1	0.0	7,755.9	1,476.7	9,232.6
520100	Exempt Perm Positions P/T&F/T	616.6	363.0	563.1	1,020.4	956.4	1,000.0	1,956.4
520200	Term Positions	0.0	83.3	48.7	193.2	61.8	0.0	61.8
520300	Classified Perm Positions F/T	780.6	604.7	890.4	883.4	855.9	32.6	888.5
520600	Paid Unused Sick Leave	0.0	0.6	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	20.0	37.0	15.0	0.0	15.0	0.0	15.0
520800	Annl & Comp Paid At Separation	10.0	3.8	8.1	0.0	8.1	0.0	8.1
521100	Group Insurance Premium	110.5	65.2	124.2	102.2	123.3	202.2	325.5
521200	Retirement Contributions	270.0	190.8	268.4	390.9	356.0	0.0	356.0
521300	F I C A	115.1	80.5	118.2	129.1	149.3	77.3	226.6
521400	Workers' Comp Assessment Fee	0.2	0.1	0.2	0.0	0.8	0.3	1.1
521410	GSD Work Comp Insur Premium	1.1	1.1	1.0	0.0	1.2	0.4	1.6
521500	Unemployment Comp Premium	0.5	0.4	6.5	0.0	0.0	0.0	0.0
521600	Employee Liability Ins Premium	51.2	51.0	122.2	0.0	191.2	58.2	249.4
521700	RHC Act Contributions	32.0	19.8	32.6	41.9	39.1	20.2	59.3
200	Personal Services and Employee Bene	2,007.8	1,501.3	2,198.6	2,760.9	2,758.1	1,391.2	4,149.3
535100	Medical Services	1,332.7	594.3	1,000.0	0.0	1,000.0	0.0	1,000.0
535200	Professional Services	55.0	213.7	416.2	0.0	416.2	0.0	416.2
535300	Other Services	0.7	1,391.7	1,501.2	0.0	1,601.4	0.0	1,601.4
535309	Other Services - Interagency	80.5	67.5	92.0	0.0	92.0	0.0	92.0
535400	Audit Services	55.4	27.4	25.0	0.0	26.2	0.0	26.2
535500	Attorney Services	12.0	7.7	5.5	0.0	6.0	0.0	6.0
535600	IT Services	3.6	0.0	0.0	0.0	0.0	0.0	0.0

Horse Racing Regulation

State of New Mexico

BU PCode Department
46900 P681 000000

S-9 Account Code Revenue/Expenditure Summary
(Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	----- FY 2026 Agency Request -----		
					Base	Expansion	Total
300 Contractual services	1,539.9	2,302.3	3,039.9	0.0	3,141.8	0.0	3,141.8
542100 Employee I/S Mileage & Fares	5.0	3.4	4.4	0.0	4.4	8.0	12.4
542200 Employee I/S Meals & Lodging	60.0	119.0	85.0	0.0	119.0	40.0	159.0
542300 Brd & Comm Mbr Meals & Lodging	3.0	0.7	1.7	0.0	1.5	0.0	1.5
542310 Brd & Comm Mbr Mileage & Fares	2.0	2.7	2.1	0.0	2.7	0.0	2.7
542500 Transp - Fuel & Oil	11.0	6.5	12.0	0.0	8.0	0.0	8.0
542700 Transp - Transp Insurance	0.4	0.4	0.4	0.0	0.5	0.0	0.5
542800 State Transp Pool Charges	22.7	10.6	16.3	0.0	22.4	5.5	27.9
543200 Maint - Furn, Fixt, Equipment	2.0	1.6	0.0	0.0	0.0	0.0	0.0
543300 Maint - Buildings & Structures	0.4	0.0	0.0	0.0	0.0	0.0	0.0
543400 Maint - Property Insurance	0.1	0.0	0.1	0.0	0.0	0.0	0.0
543500 Maint - Supplies	0.0	0.0	0.1	0.0	0.1	0.0	0.1
543820 Maintenance IT	2.0	2.3	1.5	0.0	2.3	0.0	2.3
543830 IT HW/SW Agreements	0.0	0.4	0.0	0.0	0.0	0.0	0.0
544000 Supply Inventory IT	2.0	26.6	11.8	0.0	11.8	0.0	11.8
544100 Supplies-Office Supplies	5.0	3.4	3.8	0.0	3.8	8.0	11.8
544200 Supplies-Medical, Lab, Personal	1.8	14.3	1.0	0.0	14.0	0.0	14.0
544400 Supplies-Field Supplies	1.0	0.1	0.0	0.0	0.0	4.0	4.0
544900 Supplies-Inventory Exempt	0.0	7.7	4.8	0.0	4.0	20.0	24.0
545600 Reporting & Recording	12.0	10.2	5.1	0.0	8.0	0.0	8.0
545700 ISD Services	13.5	19.3	18.0	0.0	21.6	0.0	21.6
545710 DOIT HCM Assessment Fees	7.2	6.5	7.6	0.0	8.1	0.0	8.1
545900 Printing & Photo Services	2.0	2.0	2.9	0.0	2.5	0.0	2.5
546100 Postage & Mail Services	10.0	15.5	13.0	0.0	13.0	0.0	13.0
546300 Utilities	0.0	0.0	0.0	0.0	15.0	0.0	15.0
546400 Rent Of Land & Buildings	74.0	72.0	74.0	0.0	125.0	0.0	125.0
546500 Rent Of Equipment	8.0	3.3	7.0	0.0	5.0	0.0	5.0
546600 Communications	7.0	0.0	0.0	0.0	0.0	0.0	0.0
546610 DOIT Telecommunications	16.0	19.3	18.0	0.0	19.2	0.0	19.2
546700 Subscriptions/Dues/License Fee	13.0	13.0	13.1	0.0	13.1	0.0	13.1
546800 Employee Training & Education	5.0	4.9	6.1	0.0	5.0	0.0	5.0
546810 Board Member Training	2.0	0.0	0.0	0.0	0.0	0.0	0.0
546900 Advertising	2.5	7.3	0.6	0.0	5.0	0.0	5.0
547000 Legal Settlements	10.5	0.0	0.0	0.0	0.0	0.0	0.0

Horse Racing Regulation

State of New Mexico

BU PCode Department
46900 P681 000000

S-9 Account Code Revenue/Expenditure Summary
(Dollars in Thousands)

		2023-24	2023-24	2024-25	2025-26	----- FY 2026 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
547360	Insurance Premiums-non_payroll	0.0	1,071.7	1,500.0	0.0	1,400.0	0.0	1,400.0
547900	Miscellaneous Expense	1.0	0.7	1.0	0.0	1.0	0.0	1.0
548300	Information Tech Equipment	0.0	9.8	0.0	0.0	0.0	0.0	0.0
549600	Employee O/S Mileage & Fares	6.0	8.5	4.0	0.0	8.0	0.0	8.0
549700	Employee O/S Meals & Lodging	8.0	15.1	8.2	0.0	12.0	0.0	12.0
549800	Brd & Comm O/S Mileage & Fares	4.0	0.0	0.0	0.0	0.0	0.0	0.0
549900	Brd & Comm O/S Meals & Lodging	3.5	0.0	0.0	0.0	0.0	0.0	0.0
400	Other	323.6	1,478.9	1,823.6	0.0	1,856.0	85.5	1,941.5
TOTAL EXPENSE		3,871.3	5,282.5	7,062.1	2,760.9	7,755.9	1,476.7	9,232.6
810	Permanent	19.90	20.00	19.90	20.00	21.90	7.00	28.90
810	Permanent	19.90	20.00	19.90	20.00	21.90	7.00	28.90
820	Term	0.00	3.00	0.00	3.00	0.00	0.00	0.00
820	Term	0.00	3.00	0.00	3.00	0.00	0.00	0.00
TOTAL FTE POSITIONS		19.90	23.00	19.90	23.00	21.90	7.00	28.90

BU PCode Department
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S-9 Account Code Revenue Summary
 (Dollars in Thousands)

	Provider PCode	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	----- FY 2026 Agency Request -----		
						Base	Expansion	Total
499105	General Fd. Appropriation	2,871.3	2,765.9	0.0	0.0	3,755.9	1,476.7	5,232.6
111	General Fund Transfers	2,871.3	2,765.9	3,062.1	0.0	3,755.9	1,476.7	5,232.6
499905	Other Financing Sources	0.0	105.4	0.0	0.0	0.0	0.0	0.0
112	Other Transfers	0.0	105.4	0.0	0.0	0.0	0.0	0.0
409201	Pari-Mutuel Tax	700.0	581.8	0.0	0.0	700.0	0.0	700.0
413302	Racing Daily License Fees	0.0	41.3	0.0	0.0	0.0	0.0	0.0
418902	Other Filing Fees	0.0	1.2	0.0	0.0	0.0	0.0	0.0
422902	Other Fees	0.0	3,247.5	0.0	0.0	3,000.0	0.0	3,000.0
424902	Other Intra State Services	300.0	0.0	0.0	0.0	300.0	0.0	300.0
130	Other Revenues	1,000.0	3,871.9	4,000.0	0.0	4,000.0	0.0	4,000.0
TOTAL REVENUE		3,871.3	6,743.2	7,062.1	0	7,755.9	1,476.7	9,232.6

Horse Racing Regulation

BU PCode Department
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State of New Mexico

S-9 Account Code Revenue Summary
 (Dollars in Thousands)

	Provider PCode	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	----- FY 2026 Agency Request -----		
						Base	Expansion	Total
499105	General Fd. Appropriation	2,871.3	2,765.9	3,062.1	0.0	3,755.9	1,476.7	5,232.6
111	General Fund Transfers	2,871.3	2,765.9	3,062.1	0.0	3,755.9	1,476.7	5,232.6
499905	Other Financing Sources	0.0	105.4	0.0	0.0	0.0	0.0	0.0
112	Other Transfers	0.0	105.4	0.0	0.0	0.0	0.0	0.0
409201	Pari-Mutuel Tax	700.0	581.8	700.0	0.0	700.0	0.0	700.0
413302	Racing Daily License Fees	0.0	41.3	0.0	0.0	0.0	0.0	0.0
418902	Other Filing Fees	0.0	1.2	0.0	0.0	0.0	0.0	0.0
422902	Other Fees	0.0	3,247.5	3,000.0	0.0	3,000.0	0.0	3,000.0
424902	Other Intra State Services	300.0	0.0	300.0	0.0	300.0	0.0	300.0
130	Other Revenues	1,000.0	3,871.9	4,000.0	0.0	4,000.0	0.0	4,000.0
TOTAL REVENUE		3,871.3	6,743.2	7,062.1	0.0	7,755.9	1,476.7	9,232.6

S-9 Account Code Expenditure Summary
(Dollars in Thousands)

		2023-24	2023-24	2024-25	2025-26	----- FY 2026 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
520100	Exempt Perm Positions P/T&F/T	616.6	363.0	563.1	1,020.4	956.4	1,000.0	1,956.4
520200	Term Positions	0.0	83.3	48.7	193.2	61.8	0.0	61.8
520300	Classified Perm Positions F/T	780.6	604.7	890.4	883.4	855.9	32.6	888.5
520600	Paid Unused Sick Leave	0.0	0.6	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	20.0	37.0	15.0	0.0	15.0	0.0	15.0
520800	Annl & Comp Paid At Separation	10.0	3.8	8.1	0.0	8.1	0.0	8.1
521100	Group Insurance Premium	110.5	65.2	124.2	102.2	123.3	202.2	325.5
521200	Retirement Contributions	270.0	190.8	268.4	390.9	356.0	0.0	356.0
521300	F I C A	115.1	80.5	118.2	129.1	149.3	77.3	226.6
521400	Workers' Comp Assessment Fee	0.2	0.1	0.2	0.0	0.8	0.3	1.1
521410	GSD Work Comp Insur Premium	1.1	1.1	1.0	0.0	1.2	0.4	1.6
521500	Unemployment Comp Premium	0.5	0.4	6.5	0.0	0.0	0.0	0.0
521600	Employee Liability Ins Premium	51.2	51.0	122.2	0.0	191.2	58.2	249.4
521700	RHC Act Contributions	32.0	19.8	32.6	41.9	39.1	20.2	59.3
200	Personal Services and Employee Benefits	2,007.8	1,501.3	2,198.6	2,760.9	2,758.1	1,391.2	4,149.3
535100	Medical Services	1,332.7	594.3	1,000.0	0.0	1,000.0	0.0	1,000.0
535200	Professional Services	55.0	213.7	416.2	0.0	416.2	0.0	416.2
535300	Other Services	0.7	1,391.7	1,501.2	0.0	1,601.4	0.0	1,601.4
535309	Other Services - Interagency	80.5	67.5	92.0	0.0	92.0	0.0	92.0
535400	Audit Services	55.4	27.4	25.0	0.0	26.2	0.0	26.2
535500	Attorney Services	12.0	7.7	5.5	0.0	6.0	0.0	6.0
535600	IT Services	3.6	0.0	0.0	0.0	0.0	0.0	0.0
300	Contractual services	1,539.9	2,302.3	3,039.9	0.0	3,141.8	0.0	3,141.8
542100	Employee I/S Mileage & Fares	5.0	3.4	4.4	0.0	4.4	8.0	12.4
542200	Employee I/S Meals & Lodging	60.0	119.0	85.0	0.0	119.0	40.0	159.0
542300	Brd & Comm Mbr Meals & Lodgin	3.0	0.7	1.7	0.0	1.5	0.0	1.5
542310	Brd & Comm Mbr Mileage & Fares	2.0	2.7	2.1	0.0	2.7	0.0	2.7
542500	Transp - Fuel & Oil	11.0	6.5	12.0	0.0	8.0	0.0	8.0
542700	Transp - Transp Insurance	0.4	0.4	0.4	0.0	0.5	0.0	0.5
542800	State Transp Pool Charges	22.7	10.6	16.3	0.0	22.4	5.5	27.9
543200	Maint - Furn, Fixt, Equipment	2.0	1.6	0.0	0.0	0.0	0.0	0.0
543300	Maint - Buildings & Structures	0.4	0.0	0.0	0.0	0.0	0.0	0.0

State Racing Commission

BU PCode Department
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State of New Mexico

S-9 Account Code Expenditure Summary
 (Dollars in Thousands)

		2023-24	2023-24	2024-25	2025-26	----- FY 2026 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
543400	Maint - Property Insurance	0.1	0.0	0.1	0.0	0.0	0.0	0.0
543500	Maint - Supplies	0.0	0.0	0.1	0.0	0.1	0.0	0.1
543820	Maintenance IT	2.0	2.3	1.5	0.0	2.3	0.0	2.3
543830	IT HW/SW Agreements	0.0	0.4	0.0	0.0	0.0	0.0	0.0
544000	Supply Inventory IT	2.0	26.6	11.8	0.0	11.8	0.0	11.8
544100	Supplies-Office Supplies	5.0	3.4	3.8	0.0	3.8	8.0	11.8
544200	Supplies-Medical, Lab, Personal	1.8	14.3	1.0	0.0	14.0	0.0	14.0
544400	Supplies-Field Supplies	1.0	0.1	0.0	0.0	0.0	4.0	4.0
544900	Supplies-Inventory Exempt	0.0	7.7	4.8	0.0	4.0	20.0	24.0
545600	Reporting & Recording	12.0	10.2	5.1	0.0	8.0	0.0	8.0
545700	ISD Services	13.5	19.3	18.0	0.0	21.6	0.0	21.6
545710	DOIT HCM Assessment Fees	7.2	6.5	7.6	0.0	8.1	0.0	8.1
545900	Printing & Photo Services	2.0	2.0	2.9	0.0	2.5	0.0	2.5
546100	Postage & Mail Services	10.0	15.5	13.0	0.0	13.0	0.0	13.0
546300	Utilities	0.0	0.0	0.0	0.0	15.0	0.0	15.0
546400	Rent Of Land & Buildings	74.0	72.0	74.0	0.0	125.0	0.0	125.0
546500	Rent Of Equipment	8.0	3.3	7.0	0.0	5.0	0.0	5.0
546600	Communications	7.0	0.0	0.0	0.0	0.0	0.0	0.0
546610	DOIT Telecommunications	16.0	19.3	18.0	0.0	19.2	0.0	19.2
546700	Subscriptions/Dues/License Fee	13.0	13.0	13.1	0.0	13.1	0.0	13.1
546800	Employee Training & Education	5.0	4.9	6.1	0.0	5.0	0.0	5.0
546810	Board Member Training	2.0	0.0	0.0	0.0	0.0	0.0	0.0
546900	Advertising	2.5	7.3	0.6	0.0	5.0	0.0	5.0
547000	Legal Settlements	10.5	0.0	0.0	0.0	0.0	0.0	0.0
547360	Insurance Premiums-non_payroll	0.0	1,071.7	1,500.0	0.0	1,400.0	0.0	1,400.0
547900	Miscellaneous Expense	1.0	0.7	1.0	0.0	1.0	0.0	1.0
548300	Information Tech Equipment	0.0	9.8	0.0	0.0	0.0	0.0	0.0
549600	Employee O/S Mileage & Fares	6.0	8.5	4.0	0.0	8.0	0.0	8.0
549700	Employee O/S Meals & Lodging	8.0	15.1	8.2	0.0	12.0	0.0	12.0
549800	Brd & Comm O/S Mileage & Fares	4.0	0.0	0.0	0.0	0.0	0.0	0.0
549900	Brd & Comm O/S Meals & Lodgin	3.5	0.0	0.0	0.0	0.0	0.0	0.0
400	Other	323.6	1,478.9	1,823.6	0.0	1,856.0	85.5	1,941.5
TOTAL EXPENSE		3,871.3	5,282.5	7,062.1	2,760.93	7,755.9	1,476.7	9,232.6

State Racing Commission

BU	PCode	Department
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State of New Mexico

S-9 Account Code Expenditure Summary
(Dollars in Thousands)

Horse Racing Regulation

BU PCode Department
46900 P681 000000

State of New Mexico

S-9 Account Code Expenditure Summary
(Dollars in Thousands)

		2023-24	2023-24	2024-25	2025-26	----- FY 2026 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
520100	Exempt Perm Positions P/T&F/T	616.6	363.0	563.1	1,020.4	956.4	1,000.0	1,956.4
520200	Term Positions	0.0	83.3	48.7	193.2	61.8	0.0	61.8
520300	Classified Perm Positions F/T	780.6	604.7	890.4	883.4	855.9	32.6	888.5
520600	Paid Unused Sick Leave	0.0	0.6	0.0	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	20.0	37.0	15.0	0.0	15.0	0.0	15.0
520800	Annl & Comp Paid At Separation	10.0	3.8	8.1	0.0	8.1	0.0	8.1
521100	Group Insurance Premium	110.5	65.2	124.2	102.2	123.3	202.2	325.5
521200	Retirement Contributions	270.0	190.8	268.4	390.9	356.0	0.0	356.0
521300	F I C A	115.1	80.5	118.2	129.1	149.3	77.3	226.6
521400	Workers' Comp Assessment Fee	0.2	0.1	0.2	0.0	0.8	0.3	1.1
521410	GSD Work Comp Insur Premium	1.1	1.1	1.0	0.0	1.2	0.4	1.6
521500	Unemployment Comp Premium	0.5	0.4	6.5	0.0	0.0	0.0	0.0
521600	Employee Liability Ins Premium	51.2	51.0	122.2	0.0	191.2	58.2	249.4
521700	RHC Act Contributions	32.0	19.8	32.6	41.9	39.1	20.2	59.3
200	Personal Services and Employe	2,007.8	1,501.3	2,198.6	2,760.9	2,758.1	1,391.2	4,149.3
535100	Medical Services	1,332.7	594.3	1,000.0	0.0	1,000.0	0.0	1,000.0
535200	Professional Services	55.0	213.7	416.2	0.0	416.2	0.0	416.2
535300	Other Services	0.7	1,391.7	1,501.2	0.0	1,601.4	0.0	1,601.4
535309	Other Services - Interagency	80.5	67.5	92.0	0.0	92.0	0.0	92.0
535400	Audit Services	55.4	27.4	25.0	0.0	26.2	0.0	26.2
535500	Attorney Services	12.0	7.7	5.5	0.0	6.0	0.0	6.0
535600	IT Services	3.6	0.0	0.0	0.0	0.0	0.0	0.0
300	Contractual services	1,539.9	2,302.3	3,039.9	0.0	3,141.8	0.0	3,141.8
542100	Employee I/S Mileage & Fares	5.0	3.4	4.4	0.0	4.4	8.0	12.4
542200	Employee I/S Meals & Lodging	60.0	119.0	85.0	0.0	119.0	40.0	159.0
542300	Brd & Comm Mbr Meals & Lodgin	3.0	0.7	1.7	0.0	1.5	0.0	1.5
542310	Brd & Comm Mbr Mileage & Fares	2.0	2.7	2.1	0.0	2.7	0.0	2.7
542500	Transp - Fuel & Oil	11.0	6.5	12.0	0.0	8.0	0.0	8.0
542700	Transp - Transp Insurance	0.4	0.4	0.4	0.0	0.5	0.0	0.5
542800	State Transp Pool Charges	22.7	10.6	16.3	0.0	22.4	5.5	27.9
543200	Maint - Furn, Fixt, Equipment	2.0	1.6	0.0	0.0	0.0	0.0	0.0
543300	Maint - Buildings & Structures	0.4	0.0	0.0	0.0	0.0	0.0	0.0
543400	Maint - Property Insurance	0.1	0.0	0.1	0.0	0.0	0.0	0.0

Horse Racing Regulation

BU PCode Department
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State of New Mexico

S-9 Account Code Expenditure Summary
 (Dollars in Thousands)

		2023-24	2023-24	2024-25	2025-26	----- FY 2026 Agency Request -----		
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total
543500	Maint - Supplies	0.0	0.0	0.1	0.0	0.1	0.0	0.1
543820	Maintenance IT	2.0	2.3	1.5	0.0	2.3	0.0	2.3
543830	IT HW/SW Agreements	0.0	0.4	0.0	0.0	0.0	0.0	0.0
544000	Supply Inventory IT	2.0	26.6	11.8	0.0	11.8	0.0	11.8
544100	Supplies-Office Supplies	5.0	3.4	3.8	0.0	3.8	8.0	11.8
544200	Supplies-Medical,Lab,Personal	1.8	14.3	1.0	0.0	14.0	0.0	14.0
544400	Supplies-Field Supplies	1.0	0.1	0.0	0.0	0.0	4.0	4.0
544900	Supplies-Inventory Exempt	0.0	7.7	4.8	0.0	4.0	20.0	24.0
545600	Reporting & Recording	12.0	10.2	5.1	0.0	8.0	0.0	8.0
545700	ISD Services	13.5	19.3	18.0	0.0	21.6	0.0	21.6
545710	DOIT HCM Assessment Fees	7.2	6.5	7.6	0.0	8.1	0.0	8.1
545900	Printing & Photo Services	2.0	2.0	2.9	0.0	2.5	0.0	2.5
546100	Postage & Mail Services	10.0	15.5	13.0	0.0	13.0	0.0	13.0
546300	Utilities	0.0	0.0	0.0	0.0	15.0	0.0	15.0
546400	Rent Of Land & Buildings	74.0	72.0	74.0	0.0	125.0	0.0	125.0
546500	Rent Of Equipment	8.0	3.3	7.0	0.0	5.0	0.0	5.0
546600	Communications	7.0	0.0	0.0	0.0	0.0	0.0	0.0
546610	DOIT Telecommunications	16.0	19.3	18.0	0.0	19.2	0.0	19.2
546700	Subscriptions/Dues/License Fee	13.0	13.0	13.1	0.0	13.1	0.0	13.1
546800	Employee Training & Education	5.0	4.9	6.1	0.0	5.0	0.0	5.0
546810	Board Member Training	2.0	0.0	0.0	0.0	0.0	0.0	0.0
546900	Advertising	2.5	7.3	0.6	0.0	5.0	0.0	5.0
547000	Legal Settlements	10.5	0.0	0.0	0.0	0.0	0.0	0.0
547360	Insurance Premiums-non_payroll	0.0	1,071.7	1,500.0	0.0	1,400.0	0.0	1,400.0
547900	Miscellaneous Expense	1.0	0.7	1.0	0.0	1.0	0.0	1.0
548300	Information Tech Equipment	0.0	9.8	0.0	0.0	0.0	0.0	0.0
549600	Employee O/S Mileage & Fares	6.0	8.5	4.0	0.0	8.0	0.0	8.0
549700	Employee O/S Meals & Lodging	8.0	15.1	8.2	0.0	12.0	0.0	12.0
549800	Brd & Comm O/S Mileage & Fares	4.0	0.0	0.0	0.0	0.0	0.0	0.0
549900	Brd & Comm O/S Meals & Lodgin	3.5	0.0	0.0	0.0	0.0	0.0	0.0
400	Other	323.6	1,478.9	1,823.6	0.0	1,856.0	85.5	1,941.5
TOTAL EXPENSE		3,871.3	5,282.5	7,062.1	2,760.93	7,755.9	1,476.7	9,232.6

APPROPRIATION REQUEST

FORM S-10 FUND BALANCE PROJECTION

(In Whole Dollars)

Agency: <u>State Racing Commission</u>	Business Unit: <u>46900</u>
Fund Name: <u>Race Horse Testing Fund</u>	Fund Number: <u>12140</u>
Legal Auth. <u>60-1A-14.1</u>	

BEGINNING BALANCE

Unreserved, undesignated fund balance (not cash balance) from SHARE NMS006GL Balance Sheet Report at close of FY24	0
--	---

ADJUSTMENTS

Add:

Interfund receivables, accounts receivables, and other assets not reflected in fund balance from FCD Reports at close of FY24	0
Other (explain in detail)	542,600

Deduct:

Liabilities not reflected in FCD Reports at close of FY24	(534,500)
Fund balance designated by law for future expenditure (non-reverting funds)	(600,000)
Amount due to State General Fund or other fund designated by statute	(8,100)
Other (explain in detail)	0
FY24 revision not reflected in liabilities	0

Total Adjustments (600,000)

ADJUSTED UNRESERVED, UNDESIGNATED FUND BALANCE at close of FY24 (600,000)

Add:

Projected revenue/sources (less fund balance budgeted) for FY25	600,000
---	---------

Deduct:

Projected total expenditures for FY25	(600,000)
---------------------------------------	-----------

ADJUSTED UNRESERVED/UNDESIGNATED FUND BALANCE at close of FY25 (600,000)

Add:

Projected revenue/sources (less fund balance requested) for FY26	600,000
--	---------

Deduct:

Total expenditures budgeted in appropriation request	(600,000)
--	-----------

ADJUSTED UNRESERVED/UNDESIGNATED FUND BALANCE at close of FY26 (600,000)

State of New Mexico

S-13 Line Items by Business Unit Expenditures

(Dollars in Thousands)

BusUnit	Line Item	2023-24	2024-25	Request		Recommendation		Opbud	
		Actuals	Opbud	Base	Expansion	Base	Expansion		
46900	P681-R Horse Racing Regulation	521410 GSD Work Comp Insur Premium	1.09	1	1.2	0.4	0	0	0.0
		521500 Unemployment Comp Premium	0.43	6.5	0	0	0	0	0.0
		521600 Employee Liability Ins Premium	51.03	122.2	191.2	58.2	0	0	0.0
		535400 Audit Services	27.44	25	26.2	0	0	0	0.0
		542700 Transp - Transp Insurance	0.37	0.4	0.5	0	0	0	0.0
		542800 State Transp Pool Charges	10.6	16.3	22.4	5.5	0	0	0.0
		543400 Maint - Property Insurance	0	0.1	0	0	0	0	0.0
		545700 ISD Services	19.3	18	21.6	0	0	0	0.0
		545710 DOIT HCM Assessment Fees	6.53	7.6	8.1	0	0	0	0.0
546610 DOIT Telecommunications	19.33	18	19.2	0	0	0	0.0		
Subtotal for:	46900 P681-R Horse Racing Regulation	136.11	215.1	290.4	64.1	0	0	0.0	
46900		136.11	215.1	290.4	64.1	0	0	0.0	

Totals by Line Item

BusUnit	Line Item	2023-24	2024-25	Request		Recommendation		Opbud	
		Actuals	Opbud	Base	Expansion	Base	Expansion		
46900	521410 GSD Work Comp Insur Premium	1.09	1	1.2	0.4	0	0	0.0	
		521500 Unemployment Comp Premium	0.43	6.5	0	0	0	0	0.0
		521600 Employee Liability Ins Premium	51.03	122.2	191.2	58.2	0	0	0.0
		535400 Audit Services	27.44	25	26.2	0	0	0	0.0
		542700 Transp - Transp Insurance	0.37	0.4	0.5	0	0	0	0.0
		542800 State Transp Pool Charges	10.6	16.3	22.4	5.5	0	0	0.0
		543400 Maint - Property Insurance	0	0.1	0	0	0	0	0.0
		545700 ISD Services	19.3	18	21.6	0	0	0	0.0
		545710 DOIT HCM Assessment Fees	6.53	7.6	8.1	0	0	0	0.0
546610 DOIT Telecommunications	19.33	18	19.2	0	0	0	0.0		
Grand Total		136.11	215.1	290.4	64.1	0	0	0.0	

State of New Mexico
S-13 Line Items by Business Unit Expenditures
(Dollars in Thousands)

Prov PCode	Prov Fund	Prov Account	Prov Account Name	Rec PCode	Rec Fund	Rec Account	Rec Account Name	2023-24 Actual Transfers	2024-25 Adopted Transfers	2025-26 Agency GF	2025-26 Agency OSF	2025-26 Agency ISF/IAT	2025-26 Agency FF	2025-26 Total Request	Justification
P681	19200	535309	Other Service	P004	00800	425909	Other Service	0	0	0	0	0	0	0	
P681	19200	535309	Other Service	P004	06100	425909	Other Service	0	0	72.9	0	0	0	72.9	MOU with SLD laboratories for storage of samples. Expenditure is based on FY24 actuals.
Sum:									0	72.9	0	0	0	72.9	

REV EXP COMPARISON

(Dollars in Thousands)

46900 - State Racing Commission

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES	5,232.6	4,000.0	0.0	0.0	9,232.6
Personal Services and Employee Benefits	4,149.3	0.0	0.0	0.0	4,149.3
Contractual services	541.8	2,600.0	0.0	0.0	3,141.8
Other	541.5	1,400.0	0.0	0.0	1,941.5
USES Total:	5,232.6	4,000.0	0.0	0.0	9,232.6
Net:	0.0	0.0	0.0	0.0	0.0

REV EXP COMPARISON

(Dollars in Thousands)

46900 - State Racing Commission

P681 - Horse Racing Regulation

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	5,232.6	4,000.0	0.0	0.0	9,232.6
Personal Services and Employee Benefits	4,149.3	0.0	0.0	0.0	4,149.3
Contractual services	541.8	2,600.0	0.0	0.0	3,141.8
Other	541.5	1,400.0	0.0	0.0	1,941.5
USES Total:	5,232.6	4,000.0	0.0	0.0	9,232.6
Net:	0.0	0.0	0.0	0.0	0.0

Horse Racing Regulation

BU PCode Department
 46900 P681 000000

State of New Mexico

EB-1 Expansion Justifications
 (Dollars in Thousands)

FTE Request

Rank: 1

New Initiative	2025-26 GF Sources	2025-26 OSF Sources	2025-26 ISF/ IAT Sources	2025-26 FF Sources	2025-26 Total Request	2025-26 Exec Recommendation
General Fund Transfers	1476.7	0.0	0.0	0.0	1476.7	0.0
REVENUE, TRANSFERS	1476.7	0.0	0.0	0.0	1476.7	0.0
Personal Services and Employee	1391.2	0.0	0.0	0.0	1391.2	0.0
Other	85.5	0.0	0.0	0.0	85.5	0.0
EXPENDITURES	1476.7	0.0	0.0	0.0	1476.7	0.0
Permanent	0	0	0	0	7	
FTEs	0	0	0	0	7	0

Brief Description:

Due to various catastrophic deaths and injuries in New Mexico during the 2022 - 2023 race meets, the Commission is submitting an Expansion request. On 8/24/2023, Governor Lujan-Grisham sent the Commission a memo "mandating" action to protect our Equine athletes. The New Mexico Racing Commission would like to request the addition of 7 FTE in efforts to comply with HISA (Federal Horseracing Integrity and Safety Act) and the additional workload that has been placed upon the agency. In addition to the FTE, the Commission also requests additional funding to purchase the necessary furniture, equipment, supplies, and one vehicle for additional staff.

Legislative Change:

Session Law Citation:

Legal Settlement:

Case Number or Citation:

EB-2 Expansion Fiscal Summary
 (Dollars in Thousands)

FTE Request

		2025-26 GF Sources	2025-26 OSF Sources	2025-26 ISF/ IAT Sources	2025-26 FF Sources	2025-26 Total Request	2025-26 Exec Recommendation
111	General Fund Transfers	1476.7	0.0	0.0	0.0	1476.7	0.0
REVENUE, TRANSFERS		1476.7	0.0	0.0	0.0	1476.7	0.0
200	Personal Services and Employee Benefits	1391.2	0.0	0.0	0.0	1391.2	0.0
400	Other	85.5	0.0	0.0	0.0	85.5	0.0
EXPENDITURES		1476.7	0.0	0.0	0.0	1476.7	0.0
810	Permanent	0	0	0	0	7	0.0
FTEs		0	0	0	0	7	0

Rank: 1

EB-3 Expansion Line Item Detail
(Dollars in Thousands)

FTE Request

Rank: 1

		2025-26 GF Sources	2025-26 OSF Sources	2025-26 ISF/IAT Sources	2025-26 FF Sources	2025-26 Total Request	2025-26 Exec Recommendation
520100	Exempt Perm Positions P/T&F/T	1000.0	0.0	0.0	0.0	1000.0	0.0
520300	Classified Perm Positions F/T	32.6	0.0	0.0	0.0	32.6	0.0
521100	Group Insurance Premium	202.2	0.0	0.0	0.0	202.2	0.0
521200	Retirement Contributions	0.0	0.0	0.0	0.0	0.0	0.0
521300	F I C A	77.3	0.0	0.0	0.0	77.3	0.0
521400	Workers' Comp Assessment Fee	0.3	0.0	0.0	0.0	0.3	0.0
521410	GSD Work Comp Insur Premium	0.4	0.0	0.0	0.0	0.4	0.0
521600	Employee Liability Ins Premium	58.2	0.0	0.0	0.0	58.2	0.0
521700	RHC Act Contributions	20.2	0.0	0.0	0.0	20.2	0.0
200	Personal Services and Employee Benefit	1391.2	0.0	0.0	0.0	1391.2	0.0
542100	Employee I/S Mileage & Fares	8.0	0.0	0.0	0.0	8.0	0.0
542200	Employee I/S Meals & Lodging	40.0	0.0	0.0	0.0	40.0	0.0
542800	State Transp Pool Charges	5.5	0.0	0.0	0.0	5.5	0.0
544100	Supplies-Office Supplies	8.0	0.0	0.0	0.0	8.0	0.0
544400	Supplies-Field Supplies	4.0	0.0	0.0	0.0	4.0	0.0
544900	Supplies-Inventory Exempt	20.0	0.0	0.0	0.0	20.0	0.0
400	Other	85.5	0.0	0.0	0.0	85.5	0.0
Total for FTE Request		1476.7	0.0	0.0	0.0	1476.7	0.0

Agency Expansion Request Justification

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the [Budget Guidelines of the New Mexico Legislative Finance Committee \(LFC\)](#) and LFC's [Legislating for Results Framework](#).

1 Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

2 Needs Assessment

3 Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

4 Research and Evidence

5 Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

6 Fidelity Plan

7 Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Agency and Expansion Request Information

Agency: New Mexico Racing Commission

Short Title of Request: FTE Expansion

Point of contact for follow-up information:

Name: Amber Trujillo or Ismael “Izzy” Trejo

Title: CFO and Executive Director

Phone: 505-859-2366 or 505-589-6384

E-Mail: [Click or tap here to enter text.](#)

Is the requested expansion solely the result of a workload change? Yes

If yes, no further information is needed. If no, please provide narrative responses addressing item below.

1. Program Premise

In this section, provide information describing the problem this funding is proposed to address.

- a. Why is this expansion needed and what problem or need it is attempting to address?

The New Mexico Racing Commission continues to function at a flat budget, but is quickly realizing that job duties have increased due to the recent implementation and mandated requirement for the New Mexico horse racing industry to enforce and execute the Federal Horseracing Integrity and Safety Act

(HISA) and the Horseracing Integrity and Welfare Unit (HIWU). Also, due to an unusually high catastrophic injury rate that was twice as high as the national average during the 2022-2023 race season, the Commission is submitting an Expansion request. The issue put New Mexico horseracing into the national spotlight to the point that on 8/24/2023, Governor Lujan-Grisham sent the Commission a memo "mandating" action to protect our Equine athletes. The New Mexico Racing Commission would like to request the addition of 12 FTE in efforts to comply with HISA/HIWU and the additional workload that has been placed upon the agency. In addition to the FTE, the Commission also requests additional funding to purchase the necessary furniture, equipment, supplies, and one vehicle for additional staff.

- b. How does this request differ from existing programming?

Due to numerous catastrophic deaths and injuries to horses in New Mexico during the 2022 - 2023 race meets, the Commission is submitting an Expansion request. On 8/24/2023, Governor Lujan-Grisham sent the Commission a memo "mandating" action to protect our Equine athletes. The New Mexico Racing Commission would like to request the addition of 12 FTE in efforts to comply with HISA/HIWU and the additional workload that has been placed upon the agency. In addition to the FTE, the Commission also requests additional funding to purchase the necessary furniture, equipment, supplies, and one vehicle for additional staff.

- c. How does the requested program fit into the agency's strategic plan?

Hiring additional staff with exceptional horse racing expertise will allow the agency to monitor horses in a manner exponentially more efficient than what is being done currently in New Mexico with the expectation of implementing best practices which should lead to a decrease in catastrophic injuries that lead to death at our racetracks. Another performance measure that could be improved is the decrease in drug violations and drug abuse by horsemen and rogue vets on the racehorses. More Vets and investigators can result in a more aggressive out of competition testing program, resulting in lower expenditures for our contractual category. A similar trend will be realized with more investigators and stewards. These key positions advocate for the protection and monitoring of the equine athlete by ensuring that drugs and illegal devices are kept off the state's five racetracks' premises.

- d. Has the agency developed a logic model describing the agency's theory of change?

Yes

- e. If yes, please provide a copy of the logic model as a picture below or as an additional attachment with the form as part of the agency's submission in BFM. If no, please contact your LFC or DFA analyst for assistance in developing a logic model.



2. Needs Assessment

In this section, provide specifics on the extent of the problem this proposal proposes to solve.

- a. What is the extent of the problem to be addressed?
- b. **The problem to be addressed is obtaining additional resources (staff as well as funds to support the staff) in order to focus on the protection of health, safety, and welfare of the equine athlete, and the betting public that wager on horseracing in New Mexico.** What is the total statewide need in numerical or geographic terms? If applicable, this may include a description and analysis of historically unserved or underserved populations.

With the proposed expansion, the agency plans to address multiple problems. One major problem is that of catastrophic injuries to the equine athletes on New Mexico racetracks. To accomplish these tasks, we are seeking the resources to execute our strategic plan of putting the welfare of the equine athlete at the forefront of everything we do. In addition, we need to serve the industry in a way that shares the workload among staff. The current operation of the agency is stretched thin. The agency has faced hardships when it was without key positions (a CFO for six months, and an in-house attorney). With one person filling critical roles, there is no way for the agency to cross train staff. So, if one person leaves or falls ill, the functionality of the agency falls on the Director, who is not specialized in all jobs at the agency.

The agency also faces a significant amount of litigation. In a meeting with the New Mexico Department of Justice, the Commission was told that our in-house counsel will be commissioned to represent the agency for more and more, if not all, District Court cases. Traditionally, the Attorney General's office has always represented the Commission with the litigation. Due to an increase in their workload, the agency feels it will be beneficial to assist the Commission's in-house counsel by adding an additional attorney position.

- c. What percentage of the previously identified total statewide need does this request seek to address?

Out of the total budget request, 17% is the agency's requested expansion. The agency generates over \$800,000 to the general fund and the current year school fund. In efforts to contribute more to the general fund, the agency would like to expand its efforts to continue to sustain the industry through the expansion request. The dog racing industry has seen their demise in Florida as well as most other states for failing to protect the welfare of the stars of the show, it's dogs. Horse racing will be no different as it continues to strive to sustain our social license to operate. In order to protect and take better care of the equine athlete, the agency hopes to prevent organizations from indicating that the racehorse's welfare is not at the forefront of all we do. As mentioned, the dog racing industry met its end in Florida when voters voted in favor of Amendment 13, which made dog racing illegal.

3. Program Description

In this section, provide information detailing activities, costs, and benefits of the proposal.

- a. How much is the agency’s request for FY26 and from what source is the agency requesting additional funding?

The agency anticipates that the expansion of 7 positions is going to cost \$1,495,844.36. The additional cost of office supplies, travel, computers, desks, furniture, etc. will be \$85,484 bringing the total expansion to \$1,581,328.36.

- b. Provide a list of specific activities that will be carried out if this request is granted.

•Increased barn searches in which the commission looks for contraband or other illegal activity. Increase scrutiny of jockeys, including seeking those in possession or conspiring to use illegal electrical devices on horses or those choosing to be under the influence of prohibited drugs while riding in races. This in turn leads to more honest and safer races for all participants. •An increase and more thorough pre-race and post-race examinations of all horses by veterinarians * Implement a drug testing program during the training and exercising of horses to assure they are not forced to be on the track exercising when they should be resting. Ability to have staff with expertise available to implement enhanced programs to scrutinize the fitness and soundness of a horse before it participates in a race. •Accumulate data and observe trends related to the health of the equine athlete during its racing career • Gather data to establish baselines on chemistry statistics on individual horses (liver, heart condition, complete blood cell counts, etc.)

- c. Provide a cost per unit for the funding (such as the cost per individual or cost per activity).

Expansion Positions																							
PermNo	EmployeeNo	EmpName	Descr	FTE	LineCode	Loc	Acct	EmpRange	Hourly	AnnualSalary	520100	520200	520300	521100	521200	521300	521400	521410	521500	521600	521700	Total	
TBD		STATE INVESTIGATOR		1	5003	520300	65		\$29.12	\$61,035.52	-	-	61,410.59	4,656.25	12,207.10	4,669.22	36.8	52.17	281.58	8,313.04	1,220.71	92,847.47	
TBD		VETERINARIAN		1	5003	520100	50		\$108.00	\$226,368.00	-	-	227,759.04	4,656.25	45,273.60	17,317.15	36.8	52.17	281.58	8,313.04	4,527.36	308,217.00	
TBD		VETERINARIAN		1	5003	520100	50		\$108.00	\$226,368.00	-	-	227,759.04	4,656.25	45,273.60	17,317.15	36.8	52.17	281.58	8,313.04	4,527.36	308,217.00	
TBD		VETERINARIAN		1	5003	520100	50		\$108.00	\$226,368.00	-	-	227,759.04	4,656.25	45,273.60	17,317.15	36.8	52.17	281.58	8,313.04	4,527.36	308,217.00	
TBD		ATTORNEY		1	5003	520300	LI		\$50.45	\$105,743.20	-	-	106,393.00	4,656.25	21,148.64	8,089.35	36.8	52.17	281.58	8,313.04	2,114.86	151,085.70	
TBD		Deputy Director		1	5003	520300	90		\$49.66	\$104,087.36	-	-	104,726.98	4,656.25	20,817.47	7,962.88	36.8	52.17	281.58	8,313.04	2,081.75	148,928.73	
TBD		Financial Coordinator		1	5003	520300	65		\$29.12	\$61,035.52	-	-	61,410.59	4,656.25	12,207.10	4,669.22	36.8	52.17	281.58	8,313.04	1,220.71	92,847.47	
											\$1,011,005.60	\$0.00	\$0.00	\$1,017,218.27	\$32,593.73	\$202,201.12	\$77,841.95	\$257.60	\$365.22	\$1,971.08	\$58,191.30	\$20,220.11	\$1,410,360.36
																					\$85,484.00		
																					\$1,495,844.36		
																					\$5,484.00		
																					\$20,000.00 Office Supplies for staff (Paper, Pens, folders etc)		
																					\$30,000.00 Travel expense for 8 FTE		
																					\$30,000.00 Computers, Desks, Chairs		
																					Miscellaneous		
																					\$85,484.00		

- d. If available and applicable, provide a benefit-to-cost ratio for this program (the total monetized benefits divided by total costs).

Click or tap here to enter text.

- e. Does the agency anticipate additional increases above the FY26 request will be needed in future years to continue to operate the program? If so, please describe these additional expenses and projections of future financial needs.

Yes, future year requests will be needed to fund and maintain the requested staff and activities such as travel to racetracks, accreditation certification, and equipment (office supplies, computers, addition of one more State Vehicle, and furniture).

4. Research and Evidence Categorization

In this section, provide information regarding the evidence and research supporting your request.

- a. As defined in [New Mexico's Accountability in Government Act](#), specify whether your program is evidence-based, research-based, a promising program or practice, or none of the above.

Evidence-Based

- b. Please provide any references or links to relevant research supporting your categorization. For example, sources may include published research or categorization provided by [clearinghouse databases](#).

The expansion request is evidence based. The agency has experienced many fatalities to the equine athlete, and as proof, attached to the email is the 2022-2023 Catastrophic Injuries report. The report indicates what horses were euthanized due to race related injuries and what part of their body was injured.

Sunland Park	
Catastrophic Injury Report	
December 30, 2023 through April 2, 2023	
55 race Days	
Total Number of Starts: 4,250 (TB + QH)	
TB - 1,949	QH - 2,301
Catastrophic Injury (CI) Race Related: 10	
TB - 4	QH - 6
Number of CI per 1,000 starts: 2.2539	
TB - 2.0523	QH - 2.6075

National catastrophic average is 1.2 catastrophic injuries per 1,000 starts. New Mexico's numbers indicate that we are well above the national average for Thoroughbred and Quarter Horses. In two of three race meets conducted in 2023, the average is extremely higher than the national average, as indicated by the highlighted numbers.

2023	
Down at Albuquerque	
Catastrophic Injury Report	
September 29, 2023 through October 29, 2023	
19 race days	
Total Number of Starts: 1,572 (TB + QH)	
TB - 839	QH - 733
Catastrophic Injury (CI) Race Related: 3	
TB - 2	QH - 1
Number of CI per 1,000 starts: 1.9083	
TB - 2.3837	QH - 1.3642

**Ruidoso Downs
Catastrophic Injury Report
May 26, 2023 thru September 4, 2023**

Total Starts: 4597	
TB - 1127	QH - 3470
Catastrophic Injury (CI) Race Related: - 22	
TB - 4	QH - 18
Number of CI per 1,000 starts: - 4.785	
TB - 3.549	QH - 5.187
Morning Training - TB- 1	QH- 3
Non-Race Related - TB - 3	QH - 4

c. How will you evaluate the program to confirm your categorization?

To evaluate the program, the agency would look at its performance measures and see if fatalities are decreasing. In addition, we would look at national averages and continue to monitor how New Mexico trends in comparison. We continuously monitor how New Mexico is performing in comparison to the national average. This is something that the agency documents in its strategic plan and the performance measures.

5. Implementation Plan

In this section, describe all activities related to implementation of your proposal (What, when, where, who, and how) by addressing the following items:

- a. What are the training and startup requirements for the proposed program?

Veterinarians – implement a drug testing program for morning training, increase scrutiny of horses’ soundness during training hours, pre-race examine 100% of all horses entered to compete in a race. Having 3 vets, the individuals will be working in the morning, afternoons and occasionally, evenings to better scrutinize and monitor the racehorse population. **Investigators** – increase the number of searches of vehicles, living quarters, and barns at racetracks and training facilities. Previous searches have uncovered illegal paraphernalia, contraband and illicit drugs used on horses and humans. Depending on the new hire, training may be extensive or minimal if they have experience in the horse racing industry. Additional investigators will also balance out the current extensive workload, resulting in less mistakes occurring when preparing cases to be heard in courts. Due process will be achieved in the fairest of ways, and in a timelier manner, as strongly suggested by the Department of Justice. That will minimize the opportunity of civil rights lawsuits against the Commission. **Attorney** – elevate the knowledge, skills, and abilities for the agency to face the high volume of cases and litigation that the agency faces. Training would be minimal with the exception of learning the horseracing industry. **Financial coordinator** – utilized to help the CFO perform daily functions like budget projections, GL reconciliations, GL entries, and assist with the verification of financial reports. Position will be used as a back-up CFO for the agency. Training will be minimal alongside the CFO depending on the person that is hired. **Deputy Director** – assist the Director in all aspects of the agency. Currently over 70% of the staff reports to the Executive Director. The Deputy Director will oversee all functions of the agency in the absence of the Director and will be a conduit for staff and licensees to the Director. Training may be extensive if the person lacks knowledge of the horseracing industry. **Racing Stewards** – extra stewards are needed to write the necessary reports and rulings, conduct a high volume of hearings, supervise over 5,000 licensees, enforce the rules of the HISA, closely monitor illegal activity attempted by licenses during and after a race, and provide superior customer service to all licensees. Errors have been an achilleas heel of the stewards in New Mexico due to the high volume of issues before them on a daily basis. Training will be extensive for the stewards. Stewards will need to read and understand and enforce the NM Horseracing Act and NMAC as it relates to horseracing.

- b. Provide an estimated timeline for implementation of activities. Include planned benchmarks, milestones, and a target date for full implementation. If the request includes new FTE, provide your current vacancy rate and plan for recruitment.

Necessary training and implementation of tasks can be done as soon as we onboard the new staff. The current vacancy rate for the agency is currently at two positions. One of those positions is in the advertisement process as we got no candidates the first time. The agency traditionally runs about a 15% - 16% or approximately 3 positions. Recruitment will occur through the Gov-X process which is traditionally faster than SPO recruitment for Veterinarians, Vet Techs, and Stewards. Investigators, Deputy Director and Financial Coordinator will go through SPO recruitment. The recruitment of classified staff will occur quickly as soon as the jobs open and close.

6. Fidelity Plan

In this section, provide information regarding how you will ensure your proposal is delivered as intended.

- a. Describe key components critical to the success of your program.

A key component is personnel with the required expertise to execute the strategic plan and the new programs. Having additional staff will help our industry by keeping drugs and cheating individuals out of and off the racetracks in New Mexico. Another key item is competitive salaries. Recruiting and retaining staff is essential to the success of any agency. There is a national shortage of veterinarians and competent stewards. The Commission's position is founded on offering competitive wages and benefits to be able to attract the best in the country. The agency has realized the repercussions of having incompetent veterinarians and stewards on staff in the past.

- b. Provide a checklist or specific process metrics you will use to ensure component parts are implemented, including equity if applicable.
 1. **Get funding – through the request budget process and legislative session**
 2. **Hire personnel - according to SPO and Gov-X procedures/policies**
 3. **Train personnel – utilizing existing staff and other industry experts to provide knowledge and best practices to new personnel**
 4. **Execute implementation of new staff and deploying them to the racetracks for specific duties – utilize employee evaluations to determine the effectiveness and performance of each staff member.**
 5. **Track and trend horse catastrophic injuries compared to industry standard**
 6. **Perform more searches of vehicles, barns and jockey locker rooms to ensure illegal drugs and contraband stay away from horses**
 7. **Report performance measures to DFA/LFC/public to communicate the effectiveness of the expansion**

7. Measurement and Evaluation Plan

In this section, provide information about measuring outcomes and the impact of your proposal.

- a. What measurable outcome is the agency trying to achieve with the requested expansion?

Hiring additional staff will allow the agency to consistently monitor more horses with the expectation of lowering catastrophic injuries that lead to death . Another performance measure that could be improved is decreasing and alleviating the use of illegal drugs found in our equine athletes. Having more Veterinarians on staff can assure the implementation of more testing programs, resulting in lower expenditures for our contractual category. A similar trend will be realized with more investigators and stewards. These key positions advocate for the protection and monitoring of the equine athlete by ensuring that drugs and illegal devices are kept out of barns/tracks.

- b. Will the requested program affect any existing performance measures?

No

- i. If yes, which performance measures will be affected?

The addition of staff will not affect performance measures. It can only enhance them by meeting our existing targets, and perhaps creating new targets as a result of increased program performance.

- c. What program outputs will the agency measure?

The agency will measure the number of catastrophic deaths that occur on New Mexico racetracks compared to national averages. This will demonstrate how well our pre-workout, pre-race examinations, and overall veterinarian examinations and monitoring of horses are working. Having more Vets, Investigators, and Stewards will ensure that illegal drugs are kept off the racetrack grounds, and ensure that the betting public will be wagering on the most honest racing in New Mexico.

- d. What efficiency metrics will the agency monitor?

The number of post-race drug testing violations will continue to decrease further, at or below the national average and out-of-competition testing samples analyzed will increase and continue to be in the upper echelon of all racing jurisdictions in North America. . Another efficiency measure may be how much money is brought into the general fund by the agency. If the betting public feels more comfortable in betting on New Mexico races, there could be more revenue generated at New Mexico racetracks. If people know the sport is honest as can be, there will be more investment in the horseracing industry as well.

- e. Does the agency have baseline data for the proposed measures?

Yes

- i. If yes, please provide baseline data.

A national average of catastrophic deaths are compiled and reported yearly.

- ii. If no, when and how does the agency anticipate collecting baseline data?

Click or tap here to enter text.

- f. How often will the agency collect and report on these performance metrics?

The agency reports on the performance measures yearly.

- g. How do you plan to share the results of your program with the public and the Legislature?

The results of the program are published in our annual budget and are also given to our Legislative Finance Committee members in our budget request each year.

Horse Racing Regulation

BU PCode
46900 P681

State of New Mexico

E4 PCode Detail
(Dollars in Thousands)

Fund	Account		2023-24	2024-25	2025-26	FY 2026 Agency Request				Justification	
			Actuals	Opbud	PCF Proj	GF	OSF	ISF/IAT	FF		Total
00000	520300	Classified Perm Positions F/T	0.0	0.0	81.22	0.0	0.0	0.0	0.0	0.0	
00000	521100	Group Insurance Premium	0.0	0.0	5.11	0.0	0.0	0.0	0.0	0.0	
00000	521200	Retirement Contributions	0.0	0.0	15.45	0.0	0.0	0.0	0.0	0.0	
00000	521300	F I C A	0.0	0.0	4.98	0.0	0.0	0.0	0.0	0.0	
00000	521700	RHC Act Contributions	0.0	0.0	2.01	0.0	0.0	0.0	0.0	0.0	
19200	520100	Exempt Perm Positions P/T&F/T	363.0	563.1	1,020.42	956.4	0.0	0.0	0.0	956.4	Expenditures in this account are designated for Governor Exempt employees, which consist of the following positions: an Executive Director, seven Steward positions, two Racing Clerks, and two newly created Veterinarian positions. Agency is taking a 10% vacancy rate (equals approximately 2 position vacant). There was an increase in employee liability that would force the agency to take an unrealistic vacancy rate. The agency does not have a high turnover rate, so a 10% vacancy rate is realistic. PLEASE NOTE: The Steward and Clerk positions are filled for each live race meet. These positions may appear in our budget request as vacant positions, but are in fact not. State Statute requires that these positions be filled at the beginning of a live race meet.
19200	520200	Term Positions	83.3	48.7	193.16	61.8	0.0	0.0	0.0	61.8	
19200	520300	Classified Perm Positions F/T	604.7	890.4	802.13	855.9	0.0	0.0	0.0	855.9	Expenditures in this account are designed for Classified employees. Management is working with State Personnel Office to hire a Veterinarian. The final position of Licensing Manager will need to remain vacant in order to remain flat in the budget request. Agency is taking a 10% vacancy rate (equals approximately 2 positions vacant). There was an increase in employee liability that would force the agency to take an unrealistic vacancy rate. The agency does not have a high turnover rate, so 10% vacancy rate is more realistic.
19200	520600	Paid Unused Sick Leave	0.6	0.0	0	0.0	0.0	0.0	0.0	0.0	

Horse Racing Regulation

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E4 PCode Detail
(Dollars in Thousands)

Fund	Account	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
19200	520700 Overtime & Other Premium Pay	37.0	15.0	0	15.0	0.0	0.0	0.0	15.0	Expenditures in this account is designed for payment of overtime. Employees who are required to work over their 80 hour work schedule, must obtain a prior approval from their Manager, with the final approval of the Agency Executive Director. Overtime is usually paid out for holidays or if a special circumstance arises within the agency.
19200	520800 Annl & Comp Paid At Separation	3.8	8.1	0	8.1	0.0	0.0	0.0	8.1	Expenditures in this account is designed for an employee that may transfer or terminate employment with the agency.
19200	521100 Group Insurance Premium	65.2	124.2	97.06	123.3	0.0	0.0	0.0	123.3	Group Insurance expenditure in this account is projected via the SHARE system report for each employee. The projected budget is based on data entered into the system. Agency is taking a 10% vacancy rate (equals approximately 2 positions vacant). There was an increase in employee liability that would force the agency to take an unrealistic vacancy rate. The agency does not have a high turnover rate. Taking a 10% vacancy rate is more realistic.
19200	521200 Retirement Contributions	190.8	268.4	375.45	356.0	0.0	0.0	0.0	356.0	Retirement expenditure in this account is projected via the BRS system. The projected budget is based on data entered into the system. Agency is taking a 10% vacancy rate (equals approximately 2 positions vacant). There was an increase in employee liability that would force the agency to take an unrealistic vacancy rate. The agency does not have a high turnover rate, so 10% is more realistic.
19200	521300 F I C A	80.5	118.2	124.07	149.3	0.0	0.0	0.0	149.3	Projected budget is based on data entered into the system. Agency is taking a 10% vacancy rate (equals approximately 2 positions vacant). There was an increase in employee liability that would force the agency to take an unrealistic vacancy rate. The agency does not have a high turnover rate, so 10% vacancy rate is more realistic.
19200	521400 Workers' Comp Assessment Fee	0.1	0.2	0	0.8	0.0	0.0	0.0	0.8	Per GSD schedule
19200	521410 GSD Work Comp Insur Premium	1.1	1.0	0	1.2	0.0	0.0	0.0	1.2	Per GSD schedule
19200	521500 Unemployment Comp Premium	0.4	6.5	0	0.0	0.0	0.0	0.0	0.0	
19200	521600 Employee Liability Ins Premium	51.0	122.2	0	191.2	0.0	0.0	0.0	191.2	Per GSD schedule

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E4 PCode Detail
(Dollars in Thousands)

Fund	Account	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
19200	521700 RHC Act Contributions	19.8	32.6	39.86	39.1	0.0	0.0	0.0	39.1	Retiree Health Care expenditure in this account is projected via the BRS system. Agency is taking a 10% vacancy rate (equals approximately 2 positions vacant). There was an increase in employee liability that would force the agency to take an unrealistic vacancy rate. The agency does not have a high turnover rate, so 10% vacancy rate is more realistic.
	200 Personal Services and Employee Bene	1,501.3	2,198.6	2,760.93	2,758.1	0.0	0.0	0.0	2,758.1	
19200	542100 Employee I/S Mileage & Fares	3.4	4.4	0	4.4	0.0	0.0	0.0	4.4	Expenditure projection is based on FY24 actuals with a slight increase for a new Investigator that was hired.
19200	542200 Employee I/S Meals & Lodging	119.0	85.0	0	119.0	0.0	0.0	0.0	119.0	Expenditure is based on FY24 actuals for employee travel to race tracks for meetings and investigative duties and the addition of an auditor required per rules to travel to racetracks for site visits. Increase is due to the payment of hotels for visiting stewards who are not New Mexico residents. There is a shortage on accredited stewards in the industry, and the only way NMRC can recruit stewards who have mortgages in other states is paying for temporary housing. Hotels are expensive but a better alternative given the housing market. Slight increase is due to hiring a new Investigator, who will be traveling to the tracks
19200	542300 Brd & Comm Mbr Meals & Lodging	0.7	1.7	0	1.5	0.0	0.0	0.0	1.5	Expenditure is based on FY24 actuals. The Commission lost its Chairman, and has not been appointed another. There is a Vice-Chair, but he has not chosen to travel to HISA conferences at this time.
19200	542310 Brd & Comm Mbr Mileage & Fares	2.7	2.1	0	2.7	0.0	0.0	0.0	2.7	Expenditure is based on FY24 actuals. The Commission lost its Chairman, and has not been appointed another. There is a Vice-Chair, but he has not chosen to travel to HISA conferences at this time.
19200	542500 Transp - Fuel & Oil	6.5	12.0	0	8.0	0.0	0.0	0.0	8.0	Expenditure projection is based on FY24 actuals and increased due to an increased cost of fuel. Fuel used for three trucks designated for employee travel to race tracks (at least four times monthly), meetings, legislative hearings, etc. and the projection for audit travel to inspect financial side of tracks.
19200	542700 Transp - Transp Insurance	0.4	0.4	0	0.5	0.0	0.0	0.0	0.5	Per GSD Schedule

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E4 PCode Detail
(Dollars in Thousands)

Fund	Account	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
19200	542800	State Transp Pool Charges	10.6	16.3	0	22.4	0.0	0.0	0.0	22.4 Expenditure projections is based on rates posted for vehicle leased through State Transportation, provided with annual budget appropriation request. Agency is replacing two trucks that are 9 years old for two SUVs to better assist employees in the field and store supplies safely in the field from theft and weather. Amount is also indicating a replacement fee per FY26 Leased passenger rates.
19200	543200	Maint - Furn, Fixt, Equipment	1.6	0.0	0	0.0	0.0	0.0	0.0	0.0
19200	543400	Maint - Property Insurance	0.0	0.1	0	0.0	0.0	0.0	0.0	0.0
19200	543500	Maint - Supplies	0.0	0.1	0	0.1	0.0	0.0	0.0	0.1 Clorox wipes and masks for staff/field office
19200	543820	Maintenance IT	2.3	1.5	0	2.3	0.0	0.0	0.0	2.3 Badge printer maintenance for the badge printers that are utilized at race tracks and main office
19200	543830	IT HW/SW Agreements	0.4	0.0	0	0.0	0.0	0.0	0.0	0.0
19200	544000	Supply Inventory IT	26.6	11.8	0	11.8	0.0	0.0	0.0	11.8 Expenditure request is for replacement of IT equipment such as badge printers, Monitors and possibly some laptops. The agency has laptops that will need to be replaced soon, and instead of doing all 16 laptops, perhaps it can buy 8, then replace the others. Agency replaced 9 laptops in FY24 ,may need to replace laptops for Stewards and field staff in FY25.
19200	544100	Supplies-Office Supplies	3.4	3.8	0	3.8	0.0	0.0	0.0	3.8 Expenditure used for agency supplies and for five field offices.
19200	544200	Supplies-Medical,Lab,Personal	14.3	1.0	0	14.0	0.0	0.0	0.0	14.0 Expenditure for urine test cups, evidence bags, breathalyzer tubes etc. used in investigations. The agency has begun its human drug testing program and will need human drug testing kits in addition to breathalyzer tubes for testing. This is a new program that the agency started in FY24, and is addressed in our performance measures and Strategic plan.
19200	544400	Supplies-Field Supplies	0.1	0.0	0	0.0	0.0	0.0	0.0	0.0
19200	544900	Supplies-Inventory Exempt	7.7	4.8	0	4.0	0.0	0.0	0.0	4.0 For expenditures associated with the mobile internet mega box for rural track locations.
19200	545600	Reporting & Recording	10.2	5.1	0	8.0	0.0	0.0	0.0	8.0 The agency maintains a court reporter for high profile cases (drug positives) to ensure legal case transcripts are accurate and concise.

Horse Racing Regulation

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State of New Mexico

E4 PCode Detail
(Dollars in Thousands)

Fund	Account	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
19200	545700	ISD Services	19.3	18.0	0	21.6	0.0	0.0	0.0	21.6 DoIT ISD Services amount requested is directed to be consistent with the published schedule.
19200	545710	DOIT HCM Assessment Fees	6.5	7.6	0	8.1	0.0	0.0	0.0	8.1 DoIT HRMS Fee \$350 x 23 FTE
19200	545900	Printing & Photo Services	2.0	2.9	0	2.5	0.0	0.0	0.0	2.5 Expenditure is used for agency parking stickers for racetrack access. Also printing of business cards and business forms utilized by License clerks, Stewards, and Investigators.
19200	546100	Postage & Mail Services	15.5	13.0	0	13.0	0.0	0.0	0.0	13.0 Agency postage and delivery of packages, certified mail for appeals, equine tests, notices, accounts payable, etc.
19200	546300	Utilities	0.0	0.0	0	15.0	0.0	0.0	0.0	15.0 New building lease may require Racing Commission to pay for utilities. Currently, most utilities and janitorial services are paid by another agency that shares our current building.
19200	546400	Rent Of Land & Buildings	72.0	74.0	0	125.0	0.0	0.0	0.0	125.0 Expenditure is allocated for office space. Lease of building is ending on 4/30/2025. Planning for a new building, which is reason for slight increase. Per GSD/RFP process, leased space is going for \$25.68 per square foot. That would increase our budget for our building lease.
19200	546500	Rent Of Equipment	3.3	7.0	0	5.0	0.0	0.0	0.0	5.0 Expenditure is used for mail equipment and rental of copiers for main office and field offices. Decrease due to change in copier supplier. Changing out old equipment that is 4 years old, and resulted in a machine that was more cost effective for the agency.
19200	546610	DOIT Telecommunications	19.3	18.0	0	19.2	0.0	0.0	0.0	19.2 DoIT Telecomm amount requested is directed to be consistent with the published schedule. If an alternative amount is being requested, a justification must be provided.
19200	546700	Subscriptions/Dues/License Fee	13.0	13.1	0	13.1	0.0	0.0	0.0	13.1 Expenditure is used for dues paid to ARCI for access to national data base, technical support and agency's license database (used to license race track owners, jockeys, trainers, etc.). Consistent with FY24 expenditure.
19200	546800	Employee Training & Education	4.9	6.1	0	5.0	0.0	0.0	0.0	5.0 Agency is looking for online training, but anticipates training fees/course fees for employees to continue industry specific training/requirements. Consistent with FY24 Expenditure

Horse Racing Regulation

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State of New Mexico

E4 PCode Detail
(Dollars in Thousands)

Fund	Account	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
19200	546900 Advertising	7.3	0.6	0	5.0	0.0	0.0	0.0	5.0	Expenditure is based on projection of State Records and Archives fee increase. Expenses are for advertising of agency meetings and publications of modified or updated rules and regulations.
19200	547900 Miscellaneous Expense	0.7	1.0	0	1.0	0.0	0.0	0.0	1.0	Expenditures include baggage fees and water cooler fees
19200	548300 Information Tech Equipment	9.8	0.0	0	0.0	0.0	0.0	0.0	0.0	Already purchased two internet boxes for use at rural racetracks. No anticipated expenditures for FY26.
19200	549600 Employee O/S Mileage & Fares	8.5	4.0	0	8.0	0.0	0.0	0.0	8.0	OS travel is reserved for employees that attend ARCI Annual Conference and the Racing Symposium. OS travel has been essential to ensure goals are met and the agency maintains its National status as a member of ARCI. Will also be required for auditor attendance at annual Audit Symposium. Travel expenditures have increased due to representation at federal HISA meetings to ensure New Mexico racing has a voice represented for federal decision making
19200	549700 Employee O/S Meals & Lodging	15.1	8.2	0	12.0	0.0	0.0	0.0	12.0	OS travel is reserved for employees that attend ARCI Annual Conference and the Racing Symposium. OS travel has been essential to ensure goals are met and the agency maintains its National status as a member of ARCI. Will also be required for auditor attendance at annual Audit Symposium. Travel expenditures have increased due to representation at federal HISA meetings to ensure New Mexico racing has a voice represented for federal decision making
19210	547360 Insurance Premiums-non_payroll	1,071.7	1,500.0	0	0.0	1,400.0	0.0	0.0	1,400.0	Payment of Jockey/Rider Exercise Insurance for all 5 racetracks in New Mexico per Senate bill 336, enacted 4/6/2023.
	400 Other	1,478.9	1,823.6	0	456.0	1,400.0	0.0	0.0	1,856.0	
TOTAL EXPENSE		2,980.2	4,022.2		3,214.1	1,400.0	0.0	0.0	4,614.1	

Horse Racing Regulation

BU PCode
46900 P681

State of New Mexico
Contract by PCode Detail
(Dollars in Thousands)

Fund	Account	#	Contract Purpose	Actuals	FY 2026 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
12140	535100	Medical Services	1000	534.5	0.0	700.0	0.0	0.0	700.0	Projections in this account are designated for medical expenses associated with Equine Drug Testing expenditures. Which consists of testing laboratory expenses and the proposed implementation of a Morning Workout testing program. The projected expenditures for FY26 include: Testing Laboratory- \$700.0, The \$700.0 are generated by the agency throughout the fiscal year.
19200	535100	Medical Services	1000	59.8	0.0	300.0	0.0	0.0	300.0	Projections in this account are designated for medical expenses associated with Equine Drug Testing expenditures. Which consists of testing laboratory expenses and the proposed implementation of a Morning Workout testing program. The projected expenditures for FY26 include: Testing Laboratory- \$700.0, The \$700.0 are generated by the agency throughout the fiscal year.
19200	535200	Professional Services	1000	213.7	416.2	0.0	0.0	0.0	416.2	Projected expenditure for the Medical Equine Director at \$51.0 and Equine Hearing Officer \$45.0; \$5.2 for track statistical reporting, Veterinarians-\$200.0 for various racetracks, and Out of Competition Vet-\$55.0. In the previous fiscal year, funds allocated to account 535100, that is reason for decrease in that line and increase in this line. \$60.0 is for two racetrack audits (per rule and performance measures) that are required for the agency to conduct. The budget was previously requested in 535400, and we have moved it to this line instead.
19200	535300	Other Services	1000	0.8	1.4	0.0	0.0	0.0	1.4	Interpreter services for administrative hearings.
19200	535309	Other Services - Interagency	1000	67.5	19.1	0.0	0.0	0.0	19.1	Projected expenditure is used for HR Services based on MOU agreement with Gaming Control Board of \$19,094.78.
19200	535400	Audit Services	1000	27.4	26.2	0.0	0.0	0.0	26.2	Projected expenditure is based on schedule amount provided to agency by SBD used for agency's financial audit due Nov 1st.

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State of New Mexico

Contract by PCode Detail
(Dollars in Thousands)

Fund	Account	#	Contract Purpose	Actuals	FY 2026 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
19200	535500	1000	Attorney Services	7.7	6.0	0.0	0.0	0.0	6.0	Expenditures are used for hearing officers needed for legal proceedings and scheduled hearings (several hearings are scheduled per month). Budget is based on FY24 actuals
19210	535300	1000	Other Services	1,390.9	0.0	1,600.0	0.0	0.0	1,600.0	Projected expenditure is based on FY24 actuals and projected increase for the payment of HISA per Senate bill 336, enacted 4/6/2023. It is paid out of 19210, which is reverting and maintained by the agency. Agency is anticipating a slight increase of \$100,000 for HISA fees.
TOTAL EXPENSE				2,302.3	468.9	2,600.0	0.0	0.0	3,068.9	

DFA Performance Based Budgeting Data System

Annual Performance Report

Agency: 46900 State Racing Commission

Program: P681 Horse Racing Regulation

The purpose of the horse racing regulation program is to provide regulation in an equitable manner to New Mexico's pari-mutuel horse racing industry and to protect the interest of wagering patrons and the state of New Mexico in a manner that promotes a climate of economic prosperity for horsemen, horse owners and racetrack management.

Performance Measures:		2023-24 Target	2023-24 Result	Met Target	Year End Result Narrative
Efficiency	Average number of days from report of suspicious activity to referral of investigation case for prosecution before the Board of Stewards	10	10	Undef	The target was met in FY24.
Explanatory	Amount collected from pari-mutuel revenues and license fees to the general fund, in millions	N/A	\$672	N/A	Target was not met in FY24.
Explanatory	Average number of days to bring case to prosecution	N/A	50	N/A	The target was met in FY24.
Explanatory	Average regulatory cost per live race day at each racetrack	N/A	\$8,118.8	N/A	Target was exceeded in FY24.
Explanatory	Number of days to collect penalty fees from licensees and Deposit in the school fund	N/A	20	N/A	The target was met in FY24, as the agency achieved 20 days beating the 90 day target.
Explanatory	Number of horse fatalities per one thousand starts	N/A	2	N/A	The target was not met in FY24.
Outcome	Average number of work days from receipt of a complete individual application and questionnaire to conclusion of a criminal background check	10	4	No	The target was met in FY24.
Outcome	Number of breathalyzer tests administered per race meet	50	82	Yes	The target was met in FY24.
Outcome	Number of equine tests per live race	4	4	Yes	The target was met in FY24.
Outcome	Number of out-of-competition samples tested	1,000	947	No	The target was met in FY24.
Outcome	Number of race tracks audited	1	0	No	The target was not met in FY24.
Outcome	Percent of cases won at the district court level	100%	96%	No	The target was not met in FY24.
Outcome	Percent of equine samples testing positive for illegal substances	1%	1%	No	The target was met in FY24, as the agency achieved .628% which is lower than the 1% target.
Outcome	Percent of horses inspected before a race	100%	65%	No	The target was not met in FY24.
Outcome	Percent of out-of-competition samples testing positive for illegal substances	5%	11%	Yes	The target was exceeded in FY24.
Outcome	Percent of penalty fees collected annually from licensee to the school fund	0	49.3%	Yes	The target was not met in FY24.

Performance Measures Summary

P681 Horse Racing Regulation

Purpose: The purpose of the horse racing regulation program is to provide regulation in an equitable manner to New Mexico's pari-mutuel horse racing industry and to protect the interest of wagering patrons and the state of New Mexico in a manner that promotes a climate of economic prosperity for horsemen, horse owners and racetrack management.

Performance Measures:		2022-23 Actual	2023-24 Actual	2024-25 Budget	2025-26 Request	2025-26 Recomm
Outcome	Percent of equine samples testing positive for illegal substances	%	1%	1%	0%	
Outcome	Number of equine tests per live race	4	4	5	4	
Outcome	Average number of work days from receipt of a complete individual application and questionnaire to conclusion of a criminal background check	3	4	7	7	
Outcome	Number of out-of-competition samples tested	979	947	850	850	
Outcome	Number of race tracks audited	1	0	1	1	
Outcome	Number of breathalyzer tests administered per race meet	229	82	75	75	
Outcome	Percent of cases won at the district court level	75%	96%	100%	100%	
Outcome	Percent of horses inspected before a race	40%	65%	100%	100%	
Outcome	Percent of out-of-competition samples testing positive for illegal substances	2%	11%	3%	3%	
Outcome	Percent of penalty fees collected annually from licensee to the school fund	New	49.3%	New	75.0%	
Explanatory	Amount collected from pari-mutuel revenues and license fees to the general fund, in millions	\$513,868	\$672	N/A	N/A	
Explanatory	Average regulatory cost per live race day at each racetrack	\$7,920.0	\$8,118.8	N/A	N/A	
Explanatory	Number of days to collect penalty fees from licensees and Deposit in the school fund	90	20	N/A	N/A	
Explanatory	Average number of days to bring case to prosecution	50	50	N/A	N/A	
Explanatory	Number of horse fatalities per one thousand starts	1	2	N/A	N/A	
Efficiency	Average number of days from report of suspicious activity to referral of investigation case for prosecution before the Board of Stewards	10	10	10	10	



**STRATEGIC PLAN
FY26 APPROPRIATION REQUEST
SEPTEMBER 1, 2024**

FY26

NEW MEXICO RACING COMMISSION

MISSION STATEMENT

To provide regulation in an equitable manner to New Mexico's pari-mutuel horse racing industry to protect the interest of wagering patrons and the State of New Mexico in a manner which promotes a climate of economic prosperity for horsemen, horse owners and racetrack management.

EXECUTIVE SUMMARY - COMMISSIONERS

The New Mexico Racing Commission consists of five appointed members who provide guidance and direction for the Racing Commission.

- Billy Smith, Vice-Chairman-Albuquerque, New Mexico
- John Buffington, Vice-Chairman-Farmington, New Mexico
- Vacant, Commissioner
- Mary Kay Papen, Commissioner-Las Cruces, New Mexico
- Robert Pitre, Commissioner-Albuquerque, New Mexico

Executive Director, appointed March 2016

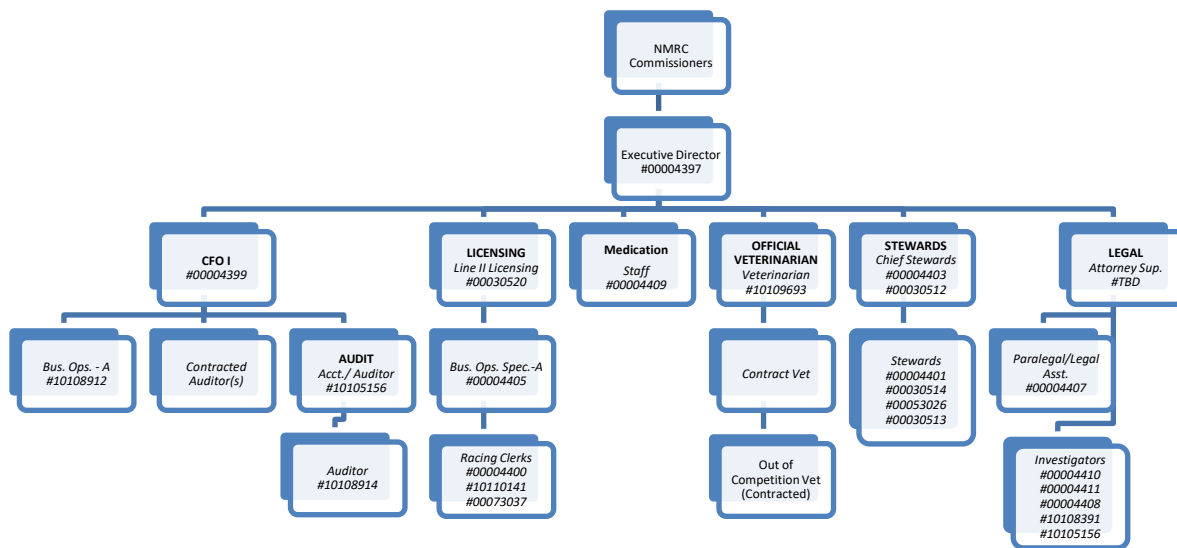
- Ismael "Izzy" Trejo



COMMISSION STAFF

The Commission currently has 23 positions including one executive director, three managers and staff. The Commission is unique in that those employees that are based at racetrack locations fill positions that are seasonal (dependent on approved race days for each respective racetrack located around the State). In order to help the agency and the industry navigate the treacherous world of public opinion, the agency feels that adding staff in the way of veterinarians will help benefit in multiple ways. The agency only has one veterinarian position on staff and that position is vacant due to the retirement of the official veterinarian.

The following diagram shows the structure of the agency and the relationships and ranks of its positions (NOTE the chart does show positions that are being converted or requested):



Director Trejo’s focus in FY 26 is to secure horse racing’s social license to operate and more importantly, the survival of the horse racing industry. The agency would like to put more emphasis on programs that focus on the welfare of our horses. The agency has continuously requested budget that would fund a veterinarian team that

would advocate for and execute welfare initiatives that in turn would benefit the well-being of the horses that compete in New Mexico.

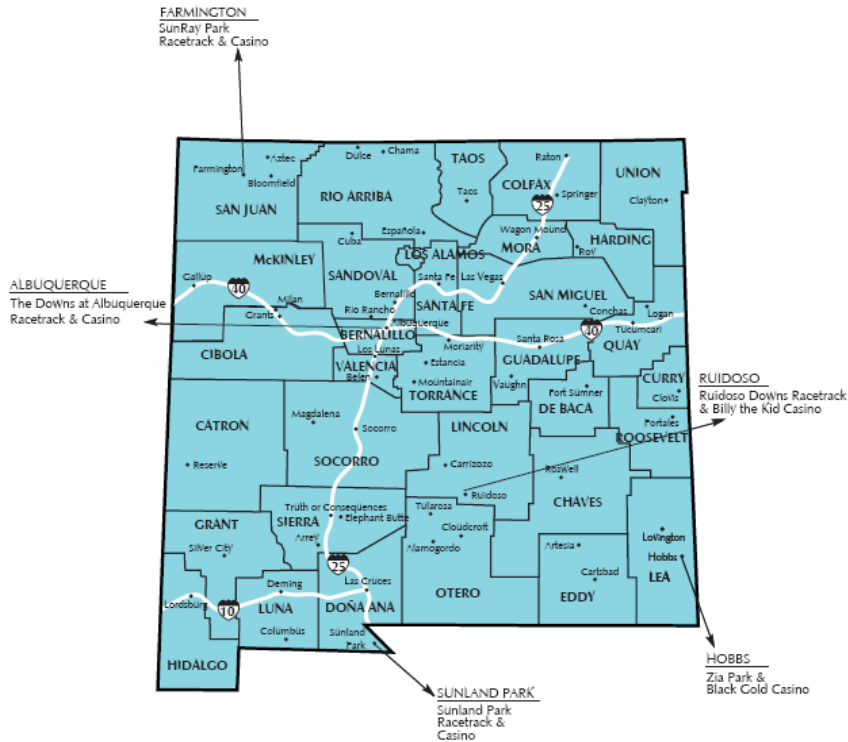
The FY26 Appropriation request will focus on ways that will assist the agency with its goals, including the addition of a deputy director, a financial specialist, more stewards, investigators, a 2nd Attorney, two vet techs and a veterinary team of four to help enhance regulation and the welfare of racehorses. The agency will continue to pursue avenues to regulate the horse racing industry as efficient as possible while continuing the efforts to gain the public's confidence in the product at New Mexico's five racetracks as well as minimize catastrophic injuries.

During the next fiscal year, we will continue to focus our efforts on continued growth and accountability. Over the past few years, there have been higher expectations for fiscal accountability and transparency which has driven the Executive Director and his staff to emphasize their focus on the agency's restructuring of its financial team. The accountability will not be restricted to the agency but to the industry as the agency intends to tighten up its oversight of rogue racing officials that violate the rules of racing and diminish the wagering public's trust.

NEW MEXICO RACETRACKS

Horse racing is woven deep in tradition in the State of New Mexico and the direction of commissioners, management and staff will be that of integrity, reliability and sustainability. The primary focus is to concentrate on guiding the horse racing industry through a major transformation being experienced on a national level and ensure its survival while strengthening the racing product for all racetracks in New Mexico. The components in doing so include assuring that the racehorses' welfare is the highest priority. Secondly, the agency will continue to earn the betting public's trust by continued enhancement of the drug testing program with a focus on out of competition testing. This program will ensure a level playing field for all participants and the betting public.

Currently, the NM Racing Commission regulates the following six race meets, located around New Mexico (the NM State Fair meet runs at the Downs at Albuquerque location):



PURPOSE, AUTHORITY, AGENCY

The Horse Racing Act (HRA) was enacted in 1938, allowing horse racing and pari-mutuel wagering in New Mexico, the Commission oversees compliance with the HRA.

The statute authorizes the Racing Commission to enforce and administer the statutes by allowing for the creation and enforcement of rules and regulations pertaining to horse racing.

The Racing Commission is authorized under the authority of 60-1A-1 through 60-1A-30, NMSA 1978. The statute mandates the Agency regulate and enforce the statutes and rules and regulations of the horse racing industry. The statute authorizes a five-member commission appointed by the Governor and approved by the Senate.

By statutory authority, the Commission must closely work with the horse racing industry to ensure the integrity and viability of the industry. Patrons at the racetracks rely on the Commission to execute its mission so they may confidently place wagers on horses in races conducted within the state.

The Racing Commission's work and activities includes the following:

- Licensing and background checks of all racing participants
- Oversight and judging of races and racetrack operations
- Testing of selected horses for illegal drugs and violations of permitted drug thresholds
- Investigation and enforcement of rules and regulation infractions
- Testing of pari-mutuel pay-outs
- Oversight of racetrack financial obligations
- Oversight of racetracks' capability and viability to operate a race meet
- Promote and support the economic viability of the horse racing industry within the state

The FY26 appropriation will continue to concentrate on improvement of current programs and the addition of a team of certified veterinarians to promote integrity in the Racing Commission's testing program as well as the welfare of the equine athlete. This group of professionals will advocate for the equine athlete to ensure an enhanced public image for the horse racing industry in New Mexico. Horses that are properly monitored help decrease the number of catastrophic injuries and promote integrity and an overall positive public image.

EXTERNAL FACTORS

Director Trejo's vision for the Racing Commission is a continued reformation of the agency's image by taking positive action, acknowledging problem areas, and taking remedial steps toward transformation. During the last eight years, the agency has focused on integrity by strict regulation and will continue to utilize integrity to achieve the agency's goals. The Racing Commission was acknowledged by the Association of Racing Commissioners International on the national level with an award for its exemplary service to the integrity of the horse racing industry. Director Trejo has been invited to speak at several industry conferences to discuss how the agency has guided the New Mexico racing industry from one that was often dismissed on a national level due to the lack of enforcement to one that is an industry leader in its new approach to regulation.

The first task at hand upon Trejo's arrival to New Mexico was to reshape the Equine Testing Program. The agency contracted with an Equine Medical and

Testing Advisor, a new official laboratory with better pricing and hired a staff veterinarian to advocate for the well-being of the horse. The goal is to obtain and retain a team of highly qualified individuals and ensure the safety of the equine athlete is at the forefront of the Commission's purpose. The assurance of a comprehensive equine testing program promotes a level playing field which will attract racing participants and in turn, an increase in pari-mutuel handle. The agency is happy to say that after Trejo's 8th year, drug violations have decreased significantly despite an increase in drug testing. For the 5th consecutive year, the agency has seen the percentage of samples tested that were violations stay below 1%. In 2022, the percentage of samples tested that were violations hit an all-time low of .53%. In comparison, in 2017, that number was 3.5%, proving that the agency's enhanced drug testing program that has continuously been developed since Trejo's arrival to New Mexico has been very effective. The reversal of New Mexico's image on a national level has been resounding.

Director Trejo recognizes that if the Commission cannot ensure a level playing field, the possibility of losing participants is evident and will eventually devastate our long-standing tradition of horse racing in the State. The domino effect this would have on our State would be detrimental, not only to the horse racing industry, but the State as a whole, through the loss of thousands of jobs, tax dollars generated and the detrimental economic impact on the agricultural community.

The enhancement of the equine testing program and realignment of staff and their respective duties was just the beginning. The agency will continue to recruit individuals that wholeheartedly want to see horseracing grow in the state.

Despite the positive achievements the agency acknowledges that there are external factors that play a significant hindrance to the agency's future success. The shortage of thoroughbred racehorses is currently a phenomenon that hinders the racing industry in New Mexico and the nation at large. The state of New Mexico has a plentiful supply of quarter horses, but that industry is ripe with ongoing cheating that has kept the agency extremely busy. The quarter horse industry is also consistently associated with illegal bush tracks. The agency has suspended several horsemen that are associated with quarter horses as well as jockeys that attempt to use electrical devices on our beloved horses.

The following goals remain steadfast in the continued success of the Racing Commission and the regulation of horse racing in New Mexico:

Economic Development – Nationally, the horse racing industry has been experiencing a negative turn in public perception due to the national exposure of equine injuries, FBI investigations into outlaw horse trainers and veterinarians, the 2019 Santa Anita catastrophic injury fiasco which almost brought California’s horseracing industry to a demise, and the 2021 Kentucky Derby drug scandal. Despite that, horse racing continues to be a valuable part of our culture in New Mexico. The Commission will continue to promote the sustainability of the horse racing industry and acknowledge the industry’s diverse contributions to the State’s agriculture, local business, sport, gaming, tourism, and entertainment economies.

Social Impact – Racetrack communities located around New Mexico depend on the positive economic impact a live race meet contributes to its economy through industry jobs, dollars spent locally on entertainment, lodging, food services and agriculture. The agency will continue to work with track managements in these respective communities for continued successful live race meets in order to reap the benefits horse racing provides.

Horse racing on a national level has been under the watchful eye of animal activist for several decades. Recently, the scrutiny has been more intense. Some believe that is the sole reason that the Federal government passed legislation to implement a safety and drug testing program named HISA, specifically for thoroughbred racing. In New Mexico, we race both quarter horses and thoroughbreds. Director Trejo had the honor of being an invited guest to the prestigious Jockey Club Roundtable Conference in New York on August 14, 2022 and once again on August 1, 2024. It was clear that the thoroughbred horse racing industry is putting arm’s length distance between themselves and the quarter horse racing industry. The Federal legislation is clear that the state racing commissions, or the breed registries (the AQHA) can opt the quarter horses to be regulated under HISA. The People for the Ethical Treatment of Animals (PETA) recently exposed a 10-month long investigation directly related to unsanctioned quarter horse racing. Despite the evils brought upon by participants of this type of racing, unsanctioned, underground racing is blossoming throughout the United States, including New Mexico. PETA will continue to press on state horseracing regulators and legislators to assure racing animals are not harmed at racetracks, sanctioned or unsanctioned.

Industry Integrity – The agency, as well as the industry itself, will always encounter difficult challenges on completely maintaining integrity because the agency as many agencies across the country lack the resources to efficiently regulate the broad spectrum that horseracing requires. That fact continues to drive management to strive for continued improvement of strategic regulation, through oversight of NM horse racing and to ensure to the citizens and participants that they can confidently place wagers on New Mexico horse races. The addition of qualified regulatory individuals, development of programs and enhancement of regulation will ensure integrity and the success of the agency’s mission.

INTERNAL FACTORS

As stated with the External Factors, the continued enhancement of horse racing regulation is essential to the success of the Commission’s public image and vision. Management has identified these areas as essential for the integrity of the industry, the agency remains committed to continued growth and development of the following programs:

Equine Testing – This is the seventh year that the New Mexico Racing Commission has utilized Industrial Laboratories as its official lab. In 2021 a total of 5,828 post race tests were analyzed compared to 4,949 in 2020, 10,565 in 2019, 8,375 in 2018 and 4,707 in 2017. The agency saw a 124% increase in number of samples tested from 2017 to 2019. The pandemic and the reduction in race dates contributed to the decrease in 2021 and 2020 numbers. The agency’s percentage of violations in post-race testing was .60% in 2023, .53% in 2022, .97% in 2021 .88% in 2020 and .98% in 2019. The agency is encouraged that the percentage of violations for samples tested is below 1% for the 5th consecutive year. In 2017 when the agency started tracking testing data, the percentage of violations for post-race samples tested was 3.5%. In 2022, that number fell to .53%, a significant decrease in 7 years. In 2018, the agency recorded 133 post-race drug violations. In 2023, the number fell to 38 total post-race drug violations. The agency is realizing the beneficial results of a progressive drug testing program that was designed to put cheaters out of the industry and build confidence in the industry to attract wagering dollars.

Consistent with HISA's approach, the agency continues to relieve the racing industry of cheaters through the agency's out of competition testing program. The agency will try and continue to increase the out of competition testing. In 2019, the NMRC ranked 3rd in the nation in out of competition samples analyzed. In 2021, the agency had 861 samples analyzed with a violation rate of 7.3% in hair samples and 0% in blood samples. The 2020 out of competition testing program was severely minimalized due to the decrease in racing and the negative impact of the pandemic. The positivity rate in out of competition hair samples in 2019 and 2020 was 7.3% as well. The agency conducted just under 1,000 out of competition tests in 2022 and 2023. Those numbers are indicative that cheating is ongoing in the industry and the focus needs to be on out of competition testing to assure abuse is not being imposed on the racing animals and to take horses that are administered performance enhancing drugs out of the racing population, so they do not cheat our customers out of their hard-earned wagering dollars. As previously mentioned, the approach the agency has embraced regarding out of competition testing is in line with HISA's philosophy. The agency has been complimented by HISA for the work that has been done in regulating New Mexico's horseracing industry.

Auditing/Racing Oversight – The agency has experienced struggles in obtaining a specialist that understands the complexities of auditing and understanding the pari-mutuel industry. The agency hired an accountant/auditor in 2021 to develop an internal audit program for racetrack oversight. Racing Oversight is a very specialized type of audit, and it is rare to find an individual that has this type of expertise. After going through the hiring process for the accountant/auditor position during the summer of 2021, it is evident that the agency will not be able to find the level of expertise needed to conduct a full-scale audit of racetracks at the 65 pay grade level. The agency will change its focus to hire an accountant/auditor to do routine daily audits on ITW reports, gaming numbers, purse money and pari-mutuel numbers as well as track daily pari-mutuel handles at each racetrack. The agency will utilize a portion of its budget to contract with accounting firms that will conduct audits on the racetracks and industry organizations that handle gaming and racing monies.

Current Affairs – Horse racing in America is under a microscope. Although horse racing continues to be a popular sport, there are concerns for the welfare of the jockey and equine athletes. Due to the significant increase in fatalities of horses at Santa Anita Park in 2019, Churchill Downs in Kentucky in 2023 and Saratoga Racecourse in New York during the summer of 2023, the New Mexico Racing Commission has made the protection of its participants the focus for increased regulation. Management will remain steadfast to ensure regulation progression and the safety of all participants. The agency has researched ways to implement effective and affordable programs that will help our veterinarians continuously monitor our horses to better understand what is happening internally with a horse. The knowledge gathered by the technology we wish to utilize will help in the decision to let a horse train or race or rather, get stall rest when needed.

FY24 GOALS AND OBJECTIVES

Management has identified the following as targets for fiscal year 2024 and beyond to ensure the purpose of the State Racing Commission

- **Equine Testing Program** – The approval of the Commission's request to create an Official Veterinary Team and increase out of competition testing is only one part of the commitment and dedication to continued enhancement of the equine testing program. There is also a goal to implement a testing program for morning training as catastrophic injuries are realized during morning training and workouts. Director Trejo has been working on the development of a program by updating rules to sanction trainers that are found to have high levels of corticosteroids and non-steroidal anti-inflammatory (NSAI), in their horses during training. On September 19, 2024, the agency will propose rules to the commissioners for adoption that will penalize horse trainers for violations for out of competition testing violations found in hair, saliva, feces, eye fluid, and any other biological sample. We currently only sanction for violations found in blood and urine.

Additionally, there is also a long-term goal for an 'equine aftercare program' that will embrace just that. These animals have worked long and hard, have brought great joy to spectators and the industry. The program will allow for the retirement of a racehorse after their racing career has ended. They can retire to a ranch or farm that will ensure the horse is cared for properly. The program will be

subsidized by an assessment collected from horse racing stakeholders and other potential funding options.

- **Audit Program** – The goal to ensure reform of the agency’s program must include successful compliance for racing oversight. The addition of staff will help ensure the commitment to building an internal audit program through set objectives and standards. Management has recognized the ongoing oversight of racetrack financials is necessary to achieve confidence in the Commission’s ability to monitor the performance of racetrack financial staff and it’s reporting. There is also a goal to maintain comprehensible, ongoing statistical information of pari-mutuel handle, gaming revenues and purses. Those items are intricate numbers that aid in measuring the health of the industry. Compared to agencies like the Gaming Control Board (GCB) and other States, the Commission historically employed one internal auditor and one contracted auditor (based on budget availability) whereas the GCB has several auditors while other racing jurisdictions employ one auditor per track. The New Mexico Racing Commission falls short in this area. As previously mentioned, the agency has found that it is difficult to find an auditor in the 65pay grade to accomplish all that financial regulatory oversight requires. The agency will now take the position to contract with accounting firms to conduct financial audits of the racetracks and the other organizations that handle gaming and purse monies. This is paramount because the consequence of inconsistent regulation will result in unaudited or incomplete audited pari-mutuels and gaming dollars which are in the millions.
- **Daily Fantasy Sports /Sports Betting** - In May of 2018, the U.S. Supreme Court determined that the Professional and Amateur Sports Act (PASPA) is unconstitutional. This ruling allows individual states to establish their own regulated sports betting. The decision could play a significant role in the growth of our racetracks and revenue for the state. Several states have already implemented sports wagering as well as local tribal casinos. The interest in sports wagering has been overwhelming in states such as New Jersey and Delaware. The increased revenue from sports wagering has benefitted the horseracing industry in those states as well. Our vision is for New Mexico to be at the forefront of introducing sports wagering in the Southwest. That will not happen as Arizona and Colorado have already legalized it.

The implementation of sports wagering at New Mexico’s five racetracks is a sensitive issue due to stipulations set forth in the Tribal Gaming Compact.

If New Mexico horse racing does not implement sports wagering into their business model, then sports wagering will compete directly with horse racing for the gambling dollar. If the horse racing industry adds sports wagering, then the volume of wagering dollars will increase significantly which will in turn create tax revenue for the state and other local governments. Once again, New Mexico is being left far behind in the gaming industry due to the inability to let the daily sports fantasy and sports wagering industries operate on our home turf.

- **Legal Program** – Upon the hiring of a 2nd in-house attorney, the agency can begin the vision of:
 - development of efficient and effective positive drug test case management.
 - availability of the knowledge and expertise they possess; and
 - their time would be dedicated to the Commission and Commission staff.

The agency has experienced significant turnover in their representation from the Office of the Attorney General. The agency has had 10 assigned Assistant Attorney General's (AAG) in the span of 7 years. The struggles are apparent with the OAG. They are still experiencing the reality of a shortage of attorneys. The OAG has suggested to the NMRC that our in-house counsel will more than likely be commissioned to handle a heavier load of the litigation that the agency experiences.

PROGRAM LISTING

The Racing Commission's **Regulation Program** is to provide regulation in an equitable manner to New Mexico's pari-mutuel horseracing industry to protect the interest of wagering patrons and the State of New Mexico in a manner which promotes a climate of economic prosperity for horsemen, horse owners and racetrack management.

The purpose of regulation is to ensure:

- ◆ Statutes and regulations are enforced and applied equally to all members of the industry.
- ◆ Create an image of total proficiency, professionalism and integrity.
- ◆ To promote a climate of economic prosperity for horsemen, horse owners and racetrack management.

- ◆ Protect the interest of the State of New Mexico.

The program operates six separate activities:

- 1. Equine Drug Testing**
- 2. Licensing**
- 3. Auditing and Budget/Financial Accounting**
- 4. Race Meet Oversight**
- 5. Investigations and Enforcement**
- 6. Administration and Support**

EQUINE DRUG TESTING -

Statutory Authority: 60-1A-4(F), 60-1A-13, 60-1A-5, 60-1A-14

Equine drug testing is conducted to ensure no illegal drug, chemical agent, stimulant or depressant is used in horses to affect the outcome of a race. The health and growth of the racing industry is based on the daily “handle” of wagers at the track. Racing fans will wager only when they are reasonably confident, they have a fair chance at winning by betting on the fastest horse in a race, not the most medicated horse in the race. Knowing the Racing Commission is seriously fighting against the use of illegal drugs assures the fan that racing is clean, thus increasing confidence and pari-mutuel handle.

Equine drug testing works hand-in-hand with the investigative activities and consists of: (1) a contracted drug testing laboratory; (2) a test barn at each racetrack which is overseen by an official state veterinarian either contracted or employed by the agency; (3) a system for collection and transportation of equine urine, blood, hair or any other biological samples which provides for chain of custody protection; (4) pre-race examination program; (5) out of competition testing.

Equine Drug Testing is coordinated by Commission staff employee in the capacity of the director and/or an equine drug testing manager and the Executive Director.

Objective: Ensure the utmost integrity in horse racing by aggressively testing horses for the presence of illegal substance.

Provide a comprehensive illegal drug detection program with 100% accuracy.

Sample at least four samples from every race run in the state.

Objective: Maintain quality control to have 100% detection of illegal substance used in a horse to influence the outcome of a race.

Maintain a quality assurance program to ensure the contracted equine testing laboratory is detecting illegal substances by sending blind samples for quality testing review.

Through consultation with the agency's Equine Health and Testing Advisor, The Racing Medication and Testing Consortium, The Association of Racing Commissioners International and industry conferences, keep abreast of the latest developments in equine substance abuse.

Objective: Achieve a 100% successful prosecution rate for all equine drug violations investigated and submitted for prosecution.

Prosecute any case where an illegal substance is found to be in a racehorse.

Work closely with the Attorney General's Office, including bi-weekly meetings, so cases can be prosecuted in a successful and timely manner.

LICENSING -

Statutory Authority: 60-1A-4, 60-1A-5, 60-1A-6, 60-1A-7, 60-1A-10, 60-1A-11

The Racing Commission's Licensing Department is tasked with ensuring that those persons wishing to participate in the industry are held to the upmost integrity and are thoroughly screened for Licensure. Individuals are asked to meet qualifications set forth by State Statute (NMSA 1978). All applications are processed and screened by staff, both at the racetrack and central office. License types include all personnel participating in live racing and individuals employed by racing participants or the racetracks themselves. The department is comprised of four employees, a Licensing Manager, a Licensing Administrator and two Clerks.

The process consists of application intake, background check fulfillment and final payment. Staff utilizes a central database which maintains applicant license information and qualifications with up to the minute live updates, thus, ensuring that all current information is obtained and utilized by all departments, including but not limited to, Investigations and Stewards. During the fiscal year, the department averages over 7200 process applicants and can have up to a total of 10,000 licensed individuals at any given time.

The agency will soon incorporate tougher requirements to obtain a trainer's license. Over the last few years, the agency has realized that many of the trainers participating in New Mexico racing do not know or understand the rules of racing. The agency feels that people that have a broader and stronger understanding of the industry and the rules will play the game at a higher level than what it is currently being played at. The lack of understanding of the rules and horsemanship creates numerous problems for the agency and the racing industry itself.

Objectives: Ensure the integrity of racing is maintained by allowing only those persons to participate in the industry who meet qualifications established by statute.

Achieve 100% licensing of all qualified participants of horse racing within the state.

Objective: Ensure all participants in horse racing license applications are complete, all informational data is recorded, and license badges are issued.

Achieve 100% detection and action referred on all ineligible license applicants.

Follow-up on disqualifying information received on applying participants and properly communicate to the stewards and investigative staff.

Objective: Ensure only people and entities applying to own and operate a racetrack are qualified as defined by statute.

Conduct detailed background investigations of all qualified individuals involved in the application process.

Review and investigate the financial viability of individuals and entities requesting to open and operate a racetrack.

Ensure existing racetracks are qualified to conduct horse race meetings by annually renewing and reviewing their license applications.

AUDITING AND BUDGET/FINANCIAL ACCOUNTING -

Statutory Authority: 60-1A-5(D), 60-1A-6, 60-1A-8(G), 60-1A-9(F), 60-1A-10(D), 60-1A-15, 60-1A-16, 60-1A-17, 60-1A-18, 60-1A-19, 60-1A-20, 60-1A-21, 60-1A-22, 60-1A-23, 60-1A-24

Auditing/Financial Accounting is in place to ensure all the financial transactions that are a part of the regulation of the horse racing industry are carried out and the money transactions occurring during racing activities are accomplished properly and within the law.

Auditing/Financial Accounting consists of the CFO and an Accountant/Auditor, along with a contracted Commission Auditor, who audits each of the pari-mutuel operation of the race meets. The program verifies the transactions of the industry and ensures that revenues due the State, Counties and Municipalities are properly assigned. The program also includes budget preparation, budget tracking and all vouchers processing. Also included in this program is

an annual audit of the operations of the Commission's office at a cost dictated by the State Auditor's Office.

Objective: Ensure all the financial transactions which are a part of the regulation of the horse racing industry are carried out and the money transactions occurring during racing activities are accomplished within the law.

Contract with the most qualified Certified Public Accountant to review and audit pari-mutuel transactions at the racetracks. The agency is extremely hopeful to hire an internal auditor to conduct this task.

Objective: Ensure all purse funds generated from gaming operations at racetracks is deposited to horsemen accounts in an accurate and timely manner.

Determine all transactions to horsemen purses are uniform, accurate and timely with weekly verifications.

Objective: Ensure pari-mutuel proceeds from inter-track wagering are properly accounted for and distributed.

Verify weekly for 100% accuracy all racetrack distributions generated during simulcast inter-track wagering operation.

Objective: Achieve 100% accuracy and timely reporting of all pari-mutuel transactions generated at the race meets.

Determine all contract auditors are present and qualified to accurately audit patron payoffs and industry pari-mutuel splits at least 33% of a live race meet.

Objective: Ensure all race meet transactions reports are uniform and accurate for the entire state.

Attend annual industry seminars. Conduct meetings with racetrack and commission financial personnel to discuss and best determine reporting of pari-mutuel transactions.

Objective: Ensure Racing Commission agency financial transactions are timely, accurate and recorded to DFA standards.

The agency contracts with a state auditor to audit and verify Racing Commission financial records.

RACE MEET OVERSIGHT -

Statutory Authority: 60-1A-11 (C), 60-1A-12

Race Meet Oversight requires representatives of the Racing Commission (Stewards), pursuant to the Horse Racing Act, to be present at each race meet to enforce the rules and regulations, thus ensuring the integrity of racing in the state.

Race Meet Oversight includes accredited and substitute state stewards who are approved for each of the race meets. The stewards are the direct representatives of the Racing Commission and are totally responsible for the operations of the race meet in accordance with state statute and the rules of racing. The stewards' duties are all encompassing and cover all aspects of the race meet. The performance of the stewards' program works in relationship with the licensing program, the investigation program, and the drug-testing program. All three stewards at the five race meets come under the supervision and compensation of the Racing Commission.

Additionally, the agency has a handful of its staff enforcing and executing HISA regulations. The agency has signed into an agreement with HISA to use our staff. This is a necessity because there is not adequate supply of racing personnel around the country for HISA to hire so they are dependent upon racing commissions to execute and enforce their regulations using commission's staff. This has added significant workloads to members of the commission's staff. If HISA rules are not enforced, the racetracks will not be able to send their simulcast signals outside the state of New Mexico except for international locations

Objective: To have representatives of the Racing Commission at each race meet ensuring observance of the rules and regulations of horse racing.

To provide the most qualified personnel in the capacity of Racing Commission stewards at each meet.

Hire only properly trained and accredited stewards with accreditation from the University of Arizona, the University of Louisville or industry equivalent to be employed by the Racing Commission. Stewards must also be current with continuing education requirements.

Because of the difficulties in finding racing personnel that possesses a high level of expertise related to horse racing, the agency has had to increase the salaries of racing stewards, investigators, and contract vets. The bids that the agency has received for official veterinarian contracts range between \$1,000 and \$2,000 a day. There are 188 race days this racing season. Another factor that has led to increase spending is the costs of lodging in the locales in which our racetracks are located.

Objective: Achieve 100% consistency and uniformity of Stewards procedures and decision-making processes throughout the state.

Hold annual scheduled seminars with stewards, investigators, security personnel and representatives from the Attorney General's Office to discuss and determine policy and procedures.

INVESTIGATIONS AND ENFORCEMENT -

Statutory Authority: 60-1A-3, 60-1A-5, 60-1A-27, 60-1A-28

Investigations and Enforcement is to ensure rules and regulations are enforced and applied equally to all participants and to provide a standard of proficiency, professionalism, and integrity. The integrity of racing will increase the fan's confidence, thus increase the handle at racetracks, ultimately increasing revenues to the state and ensure jobs in the industry.

The primary responsibility of the Racing Commission is to assure quality and integrity in New Mexico racing. This calls for an investigative arm with much diversity and varying dimensions. The Racing Commission's Agency Director and investigators coordinate a broad spectrum of investigations. The investigators are responsible for determining the facts involved in allegations of race related, illegal or criminal activities and violations of racing rules and regulations as well as the Horse Racing Act. They also investigate unethical conduct considered prejudicial to the best interest of racing as well as the public. The Racing Commission presently has two investigators assigned to six race meets located in different areas throughout the state, except for the New Mexico State Fair meet which is conducted at the same facility as the Downs at Albuquerque race meet. The agency would seek budget to hire more investigators.

Objective: Ensure rules and regulations of horse racing are enforced and applied equally to all participants.

Detect violations and enforce rules and regulations of horse racing.

Maintain an investigative presence at all race meets at least 100% of live race days.

Maintain safe working conditions through random and "for cause" testing of humans for illegal substance abuse.

Objective: Achieve a 90% successful prosecution rate of all rules and regulation infractions presented for prosecution.

Aggressively investigate and prosecute any case where it is determined rules violation have been committed.

Work closely with the Attorney General's office so cases can be prosecuted successfully.

Objective: Ensure the highest of quality and communication of all investigative cases.

Hold regular seminars and meetings involving investigators, stewards, racetrack security and representatives from the Attorney General's office to discuss and determine optimal investigative and prosecuting procedures.

ADMINISTRATION AND SUPPORT -

Statutory Authority: 60-1-3 (E), (F), 60-1-11 (C)

Administration and Support is to ensure that the Racing Commission functions are carried out efficiently and effectively. These functions include the operation and overhead of all the five other major activities included in this budget request.

Administration and Support in addition to directly supporting the five major activities described on the proceeding pages, encompasses support of all other functions of the Racing Commission, to include record keeping, overhead, office space, supplies, materials, computer support, subscriptions, printing, travel, board expense, equipment, telecommunications, and any other expense incurred in regulating the racing industry in New Mexico.

Objective: Ensure the other five Racing Commission activities are carried out efficiently and effectively, including office operation and overhead.

Provide quality support to all programs administered by the commission staff.

Maintain the most qualified and trained personnel through quality management and training.

Use available resources effectively and efficiently to carry out the mission of the Racing Commission

Maintain controls in purchasing and acquisition of program resources as prescribed by statute and purchasing rules.

FY25 APPROVED PERFORMANCE MEASURES

A. Outcome

- ✓ Percent of equine samples testing positive for illegal Substances
- ✓ Timely collections of penalty fees by licensee to the general fund, number of days
- ✓ Number of equine tests per live race
- ✓ Average number of work days from receipt of a complete individual application and questionnaire to conclusion of a criminal background check
- ✓ Number of out-of-competition samples tested
- ✓ Number of racetracks audited.
- ✓ Number of breathalyzer tests administered per race
- ✓ Percent of cases won at the district court level
- ✓ Percent of horses inspected before a race
- ✓ Percent of penalty fees collected annually from licensee to the school fund

B. Explanatory

- ✓ Amount collected from parimutuel revenues, in Millions
- ✓ Average regulatory cost per live race day at each racetrack
- ✓ Number of horse fatalities per one thousand starts
- ✓ Average number of days to bring case to prosecution
- ✓ Number of days to collect penalty and fees from licensees and deposit in the school fund

C. Efficiency

- ✓ Average number of days to refer investigation cases for administrative prosecution

SUMMARY

Over the next few years, The New Mexico Racing Commission will focus on continued development of regulation services to the horseracing industry and building its racing product. The agency will continue to strive and ensure the agency earns its place at the forefront of regulation on a national level. We have come to realize that this mission will not happen overnight and may take years to get to a place where all the goals and plans we have set forth may become reality.

Our goals and objectives remain intact, and we will strive for improved financial oversight, efficient enforcement of rules and regulations. With this appropriation request, agency management will focus on the agency's image and promoting accurate and reliable regulation to an industry that continues to add to our local economy.

The FY26 Appropriation Request includes a 10% increase over the FY25 budget along with an expansion request of \$1.4 million to hire additional FTE that are essential to the agency.

Despite the hardships the industry has faced whether in the public perception realm or financially, we will continue to look for guidance from the State's leaders and lawmakers and maintain our relationships with national leaders in our industry. Most importantly, we will concentrate on our image and ensure the public's confidence in our programs.

The Commission and its staff would like to extend its continued appreciation to the Department of Finance/State Budget Division and the Legislative Finance Committee for their support and assistance. We will continue to look to both agencies for guidance through the upcoming fiscal year.