

FIFTY-THIRD LEGISLATURE  
FIRST SESSION, 2017

SB 247/a

February 21, 2017

Mr. President:

Your **FINANCE COMMITTEE**, to whom has been referred

**SENATE BILL 247**

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

1. On page 1, line 13, before the period, insert "EXTENDING THE TIME THE TAX CAN BE IMPOSED; PROVIDING THAT CERTAIN REPORTS TO THE DEPARTMENT OF FINANCE AND ADMINISTRATION BE MADE BY FISCAL YEAR".

2. On page 3, line 19, strike "three" and insert in lieu thereof "eight".

3. On page 5, between lines 21 and 22, insert the following new section:

**"SECTION 3.** Section 7-24-10.1 NMSA 1978 (being Laws 1992, Chapter 35, Section 1, as amended) is amended to read:

"7-24-10.1. USE OF TAX PROCEEDS--LOCAL LIQUOR EXCISE TAX COMMITTEE--JOINT POWERS AGREEMENT--COMMUNITY PARTICIPATION.--

A. Prior to an election on the question of imposing a local liquor excise tax pursuant to the provisions of the Local Liquor Excise Tax Act, the governing body of a county shall enter into a joint powers agreement with the governing body of the most populated municipality and the governing bodies of any other municipalities in the county that choose to be parties to the agreement to provide for the use and administration of the tax proceeds. The agreement shall provide for the establishment and appointment of a local liquor excise tax committee to provide advice, assist in preventing duplication and supplanting of program funding and make recommendations to the governing body of the county and the municipal governing bodies that are parties to the agreement on the use of the tax proceeds. The agreement shall:

(1) clearly specify the use of the proceeds of the proposed local liquor excise tax, including the identification of specific local programs, agencies or entities that will be funded from the tax proceeds;

(2) determine the allocation of election expenses among the parties to the agreement;

(3) clearly specify that the detoxification center located within a municipality with a population of not less than fifteen thousand and not more than thirty-five thousand according to the most recent federal decennial census providing social detoxification treatment with the greatest numbers of adult clients

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shall receive the funding necessary to provide social detoxification of alcohol and drug treatment for adults;

(4) provide that the remaining proceeds of the proposed local liquor excise tax shall be used to fund social detoxification of alcohol and drugs for juveniles and other prevention and treatment programs as recommended by the local liquor excise tax committee; and

(5) clearly specify that each specific local program, agency or entity that is funded from the tax proceeds shall be audited at its own expense and provide accountability reports to the governing body of the county and municipal governing bodies that are parties to the agreement within thirty days of the end of each quarter of the calendar year, including an itemized breakdown of program services and expenditures.

B. Prior to the agreement by the governing body of a county and the municipal governing bodies for use of the proposed local liquor excise tax proceeds, the local liquor excise tax committee established pursuant to the provisions of Subsection A of this section shall conduct a public hearing for the purpose of inviting public comment on use of the proposed local liquor excise tax proceeds. The committee shall make every effort to provide public notice of the hearing and to invite a broad cross-section of community representatives and groups to comment on community needs. Following the hearing, the committee shall make its funding recommendations to the governing body of the county and the municipal governing bodies.

C. On or before ~~[April]~~ October 1 of each ~~[calendar]~~ year, the governing body of a county or municipality that has entered into an agreement pursuant to Subsection A of this section shall submit to the department of finance and administration a report itemizing the receipts, expenditures and number of clients served pursuant to any such agreement for the preceding ~~[calendar]~~ fiscal year. ~~[On or before July 1 of each year, the department of finance and administration shall complete an audit of the county's report submitted pursuant to this section and shall report its findings to the appropriate interim legislative committee before September 1 of that year.]~~

D. If a local program, agency or entity receiving funds from local liquor excise tax proceeds fails to timely submit an accountability report pursuant to Paragraph (5) of Subsection A of this section, the county or municipality shall be immediately prohibited from disbursing any further funds to such local program, agency or entity until the delinquent accountability report has been submitted to and accepted by the governing board of the county and the municipal governing bodies."".

4. Renumber the succeeding section accordingly.

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Respectfully submitted,

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John Arthur Smith, Chairman

Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_  
(Chief Clerk) (Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 12 For 0 Against  
Yes: 12  
No: 0  
Excused: None  
Absent: None

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