#### HOUSE BILL 364

### 56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023

#### INTRODUCED BY

T. Ryan Lane and Doreen Y. Gallegos and Joshua N. Hernandez and Art De La Cruz and Antonio Maestas

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#### AN ACT

RELATING TO ALCOHOLIC BEVERAGES; AMENDING THE REQUIREMENTS FOR AN ALCOHOLIC BEVERAGE DELIVERY PERMIT; MAKING THE REQUIREMENTS GENERALLY APPLICABLE TO LICENSE HOLDERS; PROHIBITING THE ACCEPTANCE OF ADVERTISING MONEY TO PREFERENTIALLY LIST A PRODUCT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 60-6A-37 NMSA 1978 (being Laws 2021, Chapter 7, Section 4) is amended to read:

"60-6A-37. ALCOHOLIC BEVERAGE DELIVERY PERMIT--THIRD-PARTY DELIVERY LICENSE. --

A person otherwise qualified pursuant to the provisions of the Liquor Control Act may apply for and the department may issue an alcoholic beverage delivery permit authorizing the person to deliver alcoholic beverages if:

$\underline{(1)}$ the applicant holds a valid retailer's,
dispenser's, craft distiller's, winegrower's, small brewer's or
restaurant license; [ <del>provided, however, that if the licensed</del>
premises has indoor retail space greater than ten thousand
square feet in size and is located within a class A county, the
department may issue an alcoholic beverage delivery permit if:

(1) (2) the license holder uses an identification verification system that meets the department's requirements to establish that the identification of the purchaser was checked, scanned and stored for each delivery transaction;

## [(2) no spirituous liquors are included in deliveries of alcoholic beverages;]

- (3) the liquor liability endorsement required pursuant to Paragraph (2) of Subsection H of this section is in an amount of not less than five million dollars (\$5,000,000); and
- (4) [deliveries of alcoholic beverages are not made using a third-party alcohol delivery service pursuant to Subsection G of this section] the license holder agrees not to accept advertising money to preferentially list a product in the license holder's delivery ordering system; provided that this paragraph shall not apply to internal promotions sponsored by the license holder.
- B. An alcoholic beverage delivery permit issued to .224841.1

a valid restaurant licensee shall only convey the authority to deliver alcoholic beverages concurrently with the delivery of a minimum of ten dollars (\$10.00) worth of food; provided that under no circumstances shall the delivery of alcoholic beverages be more than seven hundred fifty milliliters of wine, six twelve-ounce containers of prepackaged wine, beer, cider or spirituous liquors or one locally produced growler.

- C. An alcoholic beverage delivery permit is not transferable from person to person or from one location to another.
- D. An alcoholic beverage delivery permit issued pursuant to this section is valid for one year from the date of issuance. An alcoholic beverage delivery permittee may renew an alcoholic beverage delivery permit annually as required by the department.
- E. The director shall promulgate rules to implement the provisions of this section, which shall include the following requirements and restrictions:
- (1) an alcoholic beverage delivery permittee shall deliver alcoholic beverages only in unbroken packages or growlers;
- (2) payment for alcoholic beverages shall be received only at the licensed premises of the selling licensee personally or by other means, including telephonically, electronically, via website, application or internet platform; .224841.1

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- a licensee shall not change the price (3) charged for an alcoholic beverage because that beverage is purchased for delivery; provided that a separate fee may be charged for delivery; and further provided that the fee shall be disclosed to the customer at the time of the purchase;
- deliveries of alcoholic beverages shall (4) occur only during the hours the selling licensee is authorized to sell alcoholic beverages;
- an alcoholic beverage delivery permittee (5) shall not deliver an alcoholic beverage to a business, a commercial establishment, a college or university campus or a school campus that is not a home school;
- an alcoholic beverage delivery permittee delivering alcoholic beverages shall obtain valid proof of the recipient's identity and age;
- deliveries of alcoholic beverages shall not be made to an intoxicated person in violation of Section 60-7A-16 NMSA 1978 or to a minor in violation of Section 60-7B-1 NMSA 1978;
- while delivering alcoholic beverages, an alcoholic beverage delivery permittee shall have in the permittee's possession only alcoholic beverages that have been purchased for delivery; and
- (9) while delivering alcoholic beverages, an alcoholic beverage delivery permittee shall have in the .224841.1

permittee's possession the original or an electronic or physical copy of the permittee's alcoholic beverage delivery permit.

- F. A licensee that holds an alcoholic beverage delivery permit issued pursuant to this section may utilize an employee who is at least twenty-one years of age and who holds a valid server permit to deliver alcoholic beverages.
- G. A licensee that holds an alcoholic beverage delivery permit issued pursuant to this section may contract with a third-party alcohol delivery service licensed by the department; provided that the licensee, the third-party alcohol delivery service and the server who delivers alcohol may be separately liable for violations of the Liquor Control Act, including for the delivery of alcohol to an intoxicated person or to a minor.
- H. The department, by rule, shall create a thirdparty alcohol delivery permit and, at a minimum, condition the issuance of a third-party alcohol delivery permit on:
- (1) requiring that all delivery employees or independent contractors of the third-party alcohol delivery service hold a valid New Mexico alcohol server permit; and
- (2) requiring proof of general liability insurance coverage with a liquor liability endorsement in an amount not less than one million dollars (\$1,000,000) per occurrence, which endorsement shall provide coverage for .224841.1

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employees or independent contractors of the third-party alcohol delivery service.

- A person, company or licensee that wishes to deliver retail sales of alcohol in New Mexico on behalf of valid retailer's, dispenser's, craft distiller's, winegrower's, small brewer's or restaurant licensees that also hold a valid alcoholic beverage delivery permit shall obtain a third-party alcohol delivery license from the department.
- An applicant for a third-party alcohol delivery license is required to be authorized to do business in this state, may not share in the profits of the sale of alcohol with a licensee and may only charge a delivery fee that is disclosed to the buyer at the time of sale.
- K. A third-party alcohol delivery licensee shall not have the ability to buy, hold or deliver alcohol under its own license but to only allow for delivery of alcohol from a licensed premises and from a qualified licensee with a valid alcoholic beverage delivery permit to the buyer.
- A third-party alcohol delivery licensee shall be independently liable for the delivery of alcoholic beverages to an intoxicated person or to a minor or for any violation of the Liquor Control Act and be subject to suspension, revocation or administrative fine pursuant to Sections 60-6C-1 through 60-6C-6 NMSA 1978.
- A third-party alcohol delivery license shall be .224841.1

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valid for one year and may be renewed."
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