

LFC Requester:	Brendon Gray
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original	<input checked="" type="checkbox"/>	Amendment	<input type="checkbox"/>	Date	<u>1/19/24</u>
Correction	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Bill No:	<u>HB179</u>

Sponsor:	<u>Rep. Joanne Ferrary</u>	Agency Name and Code	<u>HCA-630</u>
Short Title:	<u>INCREASE LIQUOR EXCISE TAX, CHANGING DISTRIBUTIONS</u>	Number:	<u></u>
		Person Writing	<u>Alicia Salazar</u>
		Phone:	<u>505-795-3920</u>
		Email	<u>Alicia.salazar2@hds.nm.gov</u>

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
TBD	TBD	Recurring	SGF

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
\$0	\$0	\$0	Recurring	SGF

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0	\$0	\$0	\$0	-	-

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB 179 is an act that increases liquor excise tax rates for the period July 1, 2025 through June 30, 2028 and, effective July 1, 2028, further increases the rates by applying a CPI-based index to those rates, effective July 1, 2025. This amends existing distributions of liquor excise tax revenues and adds a distribution to the Alcohol Harms Alleviation Fund, established by the bill.

FISCAL IMPLICATIONS

None

SIGNIFICANT ISSUES

The 2023 New Mexico Data book indicated that there was an alcohol- related death rates of 2,712.3 per 100,000 in 2020. Bernalillo and Doña Ana County are listed as the highest-ranking counties for alcohol related deaths.

<https://nmcde.maps.arcgis.com/apps/instant/portfolio/index.html?appid=e208194e049b49afabbd51a8d85d5449>

One in five deaths among working age adults (20-64) in NM is attributable to alcohol.

<https://www.nmhealth.org/data/view/substance/2682/>.

According to New Mexico Health Indicator Data and Statistics, 316,000 deaths per 100,000 population were alcohol related in New Mexico from 2016-2020 for individuals 25-64.

<https://ibis.doh.nm.gov/indicator/summary/AlcoholRelatedDth.html>

Increasing funds for prevention, treatment, and recovery services to individuals throughout New Mexico, including for tribal communities, could assist in the identification and support to these individuals struggling with alcohol use disorder. HCA aims to increase community- based resources statewide. Administering the funds to municipalities for the provision of alcohol use disorder services may expand community-based resources that are tailored to the needs of the specific communities.

PERFORMANCE IMPLICATIONS

HCA could collaborate with municipalities for the provision of alcohol treatment and rehabilitation services for street inebriates. HCA may be able to assist in the prevention and treatment of alcohol use which we currently have federal grants that HCA allocates. HCA could also leverage established relationships Pueblos, Nations, and Tribes for prevention and ham

reduction efforts.

ADMINISTRATIVE IMPLICATIONS

None

No IT impact.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This has a relationship to HB112 which converts the portion of Liquor Excise Tax Receipts flowing to the state General Fund into funding for alcohol and substance use disorder prevention and treatment through the Local DWI Grant Fund, a carveout for Gallup, the Drug Court Fund, and a newly created County Alcohol and Substance Use Disorder Prevention and Treatment Fund.

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo

AMENDMENTS

None