

LFC Requester: \_\_\_\_\_

**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:**

**Analysis.nmlegis.gov**

*{Analysis must be uploaded as a PDF}*

**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  Amendment \_\_\_\_\_  
Correction \_\_\_\_\_ Substitute \_\_\_\_\_

Date January 25, 2024  
Bill No: Senate Bill 163

Sponsor: William F. Burt Agency Name and Code: Economic Development Dept. 41900  
Short Title: Permitting Direct Shipments of Wine Beer and Spiritous Liquor Person Writing: Elizabeth Waldrip  
Phone: 505-470-4339 Email: Elizabeth.waldrip@edd.nm.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(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**

Senate Bill 163 (SB163) amends Sections 60-6A-11.1 and Section 60-7A-3 NMSA 1978 to allow annual renewable permits for licensed small brewers and craft distillers, in addition to winegrowers, to ship product to non-minor New Mexico residents. Shipments are limited to two nine-liter cases of wine, two twelve-quart cases of beer or one ten-and-one-half-liter case of spirituous liquor. Shipments must be labeled "CONTAINS ALCOHOL SIGNATURE OF PERSON 21 YEARS OR OLDER REQUIRED FOR DELIVERY". Shipments for resale are prohibited and must be for personal consumption only. Companies not holding a winegrower's, small brewer's or craft distiller's license may register for a permit for an annual renewable fee of \$50.00.

**FISCAL IMPLICATIONS**

**SIGNIFICANT ISSUES**

**PERFORMANCE IMPLICATIONS**

Allowing shipment permitting will enable New Mexico wineries, small breweries, and craft distillers to expand their sales outside of their municipalities. Increased sales will result in increased excise liquor taxes and increased gross receipts tax collected by Taxation and Revenue, in addition to potential business growth and job creation.

**ADMINISTRATIVE IMPLICATIONS**

Permittees must register with the Taxation and Revenue Department (TRD) to pay liquor excise and gross receipts taxes on all shipments. Permittees must submit to an audit of shipment records by TRD upon notice.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Permittees must submit to jurisdiction of the New Mexico legal system to resolve any conflict arising from their shipment of wine, beer and spirits.

**TECHNICAL ISSUES**

Shipments must be delivered to and signed for by a non-minor resident of New Mexico.

**OTHER SUBSTANTIVE ISSUES**

**ALTERNATIVES**

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

**AMENDMENTS**