HOUSE BILL 17

## 43Rd Legislature- STATE OF NEW MEXICO - FIRSt SESSION 1997

INTRODUCED BY
TED HOBBS

AN ACT
RELATING TO ALCOHOL; AUTHORIZING LOCAL OPTION ELECTIONS REGARDI NG THE SALE OF ALCOHOLIC BEVERAGES FROM DRIVE-UP WINDOWS; AMENDING A SECTION OF THE LI QUOR CONTROL ACT.
be It enacted by the legi slature of the state of new mexi co:
Section 1. Section 60-7A-1 NMSA 1978 (being Laws 1981, Chapter 39, Section 47, as amended) is amended to read:
"60-7A-1. HOURS AND DAYS OF BUSI NESS-. SUNDAY SALES-- DRIVEUP WI NDOW SALES--CHRISTMAS DAY SALES--SUNDAY SALES FOR CONSUMPTION OFF THE LICENSED PREMISES--ELECTIONS...
A. Alcoholic beverages shall be sold, served and consumed on licensed premises only during the following hours and days:
(1) on Mondays from 7:00 a.m. until mi dnight;
(2) on other weekdays from after midnight of
the previous day until 2:00 a.m., then from 7:00 a.m. until midnight, except as provided in Subsections $D, E$ and $H$ of this section; and
(3) on Sundays only after midnight of the previous day until 2:00 a.m., except as provided in Subsections $C$ and $F$ of this section; provided, however, nothing in this section shall prohibit the consumption at any time of alcoholic beverages in guest rooms of hotels.
B. Alcoholic beverages shall be sold by a dispenser or a retailer in unbroken packages, for consumption of the licensed premises and not for resale, on Mondays through Saturdays from 7:00 a.m. until 12:00 a.m. on the following day, except as provided in Subsections $D, E$ and $H$ of this section.
C. Subject to the provisions of Subsections $F$ and $I$ of this section, a dispenser, restaurant licensee or club may, upon payment of an additional fee of one hundred dollars (\$100), obtain a permit to sell, serve or permit the consumption of alcoholic beverages by the drink on the licensed premises on Sundays from 12:00 noon until midnight and in those years when December 31 falls on a Sunday, from 12:00 noon until 2:00 a.m. of the following day, except as otherwise provided in Subsection F of this section. The permit shall expire on June 30 of each year and may be renewed from year to year upon application for renewal and payment of the required fee. The permit fee shall not be prorated. Sales made pursuant to this subsection or

Subsection 1 of this section shall be called "Sunday sales".
D. Retailers, dispensers, canopy licensees,
restaurant licensees, club licensees and governmental licensees or its lessees shall not sell, serve, deliver or allow the consumption of alcoholic beverages on the licensed premises during voting hours on the days of the primary election, general election, elections for of ficers of a muncipality or any other election as prescribed by the rules and regulations of the director.
E. Retailers, dispensers, canopy licensees that were replaced by dispenser's licensees pursuant to Section 60-6B-16 NMSA 1978, restaurant licensees, club licensees and governmental licensees or its lessees shall not sell, serve, deliver or allow the consumption of alcoholic beverages on the licensed premises from 2:00 a.m. on Christmas day until 7:00 a.m. on the day after Christmas, except as permitted pursuant to Subsection $H$ of this section.
F. At the 1984 general election, the secretary of state shall order placed on the ballot in each local option district the question "Shall Sunday sales of alcoholic beverages by the drink for consumption on the licensed premises of Iicensees be allowed in this local option district?". If the secretary of state determines a need, he may authorize the use of paper ballots for the purpose of the election provided for pursuant to this subsection. Until such election, Sunday sales
shall be permitted on the same basis in any local option district as provided under any former act, and the election held at the first general election following the effective date of the Liquor Control Act shall have no effect on whether Sunday sales are permitted in any local option district. If the question is disapproved by a majority of those voting upon the question in the local option district, Sunday sales shall be unlawful in that local option district upon certification of the election returns, and the question shall not again be placed on the ballot in that local option district until:
(1) at least one year has passed; and
(2) a petition is filed with the local
governing body bearing the signatures of registered qualified electors of the local option district equal in number to ten percent of the number of votes cast and counted in the local option district for governor in the last preceding general election in which a governor was elected. The signatures on the petition shall be verified by the clerk of the county in which the local option district is situated.

## G. The local governing body of a local option

district [ H an Clginecounty] shall:
(1) adopt a resolution within [sixty] ninety days of [Apri+ 7, 1989] Luly 1, 1997 calling for an election to place on the ballot the question "Shall a retailer or dispenser be allowed to sell or deliver alcoholic beverages at any time
from a drive-up window?";
(2) arrange for the election to be held [ sixty days after the date the resolution is adopted] in conjunction with the next regular election of the governing body or the next statewide general election following adoption of the resolution; and
(3) ensure that the election is called, conducted, counted and canvassed in the manner provided by I aw for elections within the county.

H. On and after July 1, 1989, dispensers, canopy I icensees that were replaced by dispenser's licensees pursuant to Section 60-6B-16 NMSA 1978, restaurant I icensees, club I icensees and governmental licensees or lessees of these I icensees may sell, serve or allow the consumption of beer and wine with meals on licensed premi ses from noon until 10:00 p.m. on Christmas day, except in a local option district in which, pursuant to petition and election under this subsection, a majority of the voters voting on the question votes against continuing such sales or consumption on Christmas day. An
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election shall be held on the question of whether to continue to allow the sale, service or consumption of beer and wine with meals on licensed premises from noon until 10:00 p.m. on Christmas day in a local option district, if a petition requesting the governing body of that district to call the election is signed by at least ten percent of the registered voters of the district and is filed with the clerk of the governing body of the district. Upon verification by the clerk that the petition contains the required number of signatures of registered voters, the governing body shall adopt a resolution calling an election on the question of allowing the sale, service or consumption of beer and wine with meals on licensed premises from noon until 10:00 p.m. on Christmas day. The election shall be held within sixty days after the date the petition is verified, or it may be held in conjunction with a regular election of the governing body if that election occurs within sixty days of such verification. The election shall be called, conducted, counted and canvassed in substantially the same manner as provided for general elections in the county under the Election Code or for special municipal elections in a municipality under the Municipal Election Code. If a majority of the voters voting on the question votes against continuing the sale, service or consumption of beer and wine with meals on licensed premises from noon until 10:00 p.m. on Christmas day, then such sales and consumption shall be prohibited. If a
majority of the voters voting on the question votes to allow continued sale, service and consumption of beer and wine with meals on licensed premises from noon until 10:00 p.m. on Christmas day, then such sales and consumption shall be allowed to continue. The question then shall not be submitted again to the voters within two years of the date of the last election on the question.

1. Notwithstanding the provisions of Subsection $F$ of this section, any Indian tribe or pueblo whose lands are wholly situated within the state that has, by statute, ordinance or resolution, elected to permit the sale, possession or consumption of alcoholic beverages on Iands within the territorial boundaries of the tribe or pueblo may, by statute, ordinance or resol ution of the governing body of the Indian tribe or pueblo, permit Sunday sales by the drink on the Iicensed premises of licensees on lands within the territorial boundaries of the tribe or pueblo; provided that a certified copy of such enactment is filed with the office of the director and of the secretary of state.
J. Subject to the provisions of Subsection $K$ of this section, a dispenser or retailer, upon payment of an additional fee of one hundred dollars (\$100), may obtain a permit to sell alcoholic beverages in unbroken packages for consumption of the I icensed premises on Sundays from 12:00 noon until midnight, and in those years when December 31 falls on $\begin{aligned} & \text { Sunday, from 12:00 }\end{aligned}$
noon on December 31 until 2:00 a.m. of the following day. The permit shall expire on June 30 of each year and may be renewed from year to year upon application for renewal and payment of the required fee. The permit fee shall not be prorated. Sales made pursuant to the provisions of this subsection shall be called "Sunday package sales".
K. If a petition requesting the governing body of a Iocal option district to call an election on the question of continuing to allow sales of alcoholic beverages in unbroken packages for consumption of the licensed premises on Sundays is filed with the clerk of the governing body and that petition is signed by at least ten percent of the number of registered voters of the local option district and the clerk of the governing body verifies the petition signatures, the governing body shall adopt a resolution calling an election on the question. The election shall be held within sixty days of the date the petition is verified, or it may be held in conjunction with a regular election of the governing body, if the regular election occurs within sixty days of the petition verification. The election shall be called, conducted, counted and canvassed substantially in the manner provided by law for general elections within a county or special municipal elections within a municipality. If a majority of the voters of the local option district voting in the election votes to allow the sale of alcoholic beverages in unbroken packages for consumption of the .113095 .2
licensed premi ses, then those sales shall continue to be allowed. If a majority of the voters of the local option district voting in the election votes not to allow the Sunday package sales, then those Sunday package sales shall be prohibited commencing the first Sunday after the results of the election are certified. Following the election, the question of allowing the Sunday package sales shall not be submitted again to the voters within two years of the date of the last election on the question."

Section 2. EffECTIVE DATE... The effective date of the provisions of this act is July 1, 1997.

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pody regarding whether the licensee was damaged by closure of the drive-up window is challenged by the licensee, the parties shall submit to mediation to determine a level of compensation due to he licensee. The mediator shall be agreed upon and the costs of he mediation shall be borne equally by both parties.
G. If mediation does not result in an agreement egarding compensation due to the licensee, either party may petition the district court in which the local option district is ocated to determine an equitable level of compensation due to the icensee. The court shall base its determination in part on the ecord of the hearing held pursuant to the provisions of this section and on the record of the determination made by the governing body finding that compensation was or was not due to the icensee. The court may hear additional testimony from the parties to determine a compensation level.
H. The governing body of the local option district ahall be liable for payment of the full compensation to a i censee determined pursuant to the provisions of this section.".
3. Renumber the succeeding section accordingly.,


# State of New Mexico House of Representatives 

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# Your JUDICIARY COMMI TTEE, to whom has been referred 

 HOUSE BILL 17has had it under consideration and reports same with ecommendation that it DO PASS, amended as follows:

1. Strike House Business and Industry amendments 1-3.
2. On page 4, Iine 21, strike "shall" and insert in lieu hereof "may".
3. On page 4, Iines 22 through 23, strike "within ninety days of July, 1997" and insert in lieu thereof "on or before July 1999,".






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"Section 1. A new section of the Liquor Control Act is nacted to read:

## " [ NEW MATERIAL] COMPENSATING LICENSES...

A. Beginning January 1, 1998 the sale or delivery of alcoholic beverages through a drive-up window of a licensee is prohibited.
B. A licensee whose sales or deliveries of alcoholic peverages from his licensed premises prior to January 1, 1998 are onducted through his drive-up window may apply by July 1,1998 to he director for a compensating license.
C. A compensating license:
(1) permits the licensee to sell alcoholic peverages in unbroken packages for consumption off premises except f issued to a hotel as provided in this section;
(2) may be reserved in the name of a licensee qualified to receive a compensating license for no longer than hirty-six months following the date that the licensee applies for he compensating license, but the compensating license shall be

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roided and shall not be issued to any person if no i icense application has been made identifying the proposed premises for Which the compensating license will be used within that thirty-six nonth period;
(3) may be sold or transferred to a second owner or ransferred to a new premi ses only one time after an application has been made to reserve the compensating license and may be ocated in any local option district in the state, notwithstanding he quota provisions of the Liquor Control Act;
(4) is subject to all administrative processes equired by the Liquor Control Act to locate a new license in a ocal option district; and
(5) if issued or sold to a hotel, may be converted o a dispenser's license without the package sale privileges, but may not be transferred from the licensed premises for which the -onversion was made.
D. The director shall not charge a license fee for a -ompensating license while it is held in reserve for a licensee. license fee shall be due and payable by the new licensee when he license is sold or transferred to a new owner or when the

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C. manufacturer's license as a rectifier, one thousand ifty dollars (\$1, 050);
D. wholesaler's license to sell all alcoholic beverages or resale only, two thousand five hundred dollars (\$2,500);
E. wholesaler's license to sell spirituous liquors and wine for resale only, one thousand seven hundred fifty dollars \$1, 750) ;
F. wholesaler's license to sell spirituous liquors for esale only, one thousand five hundred dollars (\$1,500);
G. wholesaler's license to sell beer and wine for resale pnly, one thousand five hundred dollars (\$1,500);
H. wholesaler's license to sell beer for resale only, pne thousand dollars (\$1,000);

1. wholesaler's license to sell wine for resale only, Seven hundred fifty dollars (\$750);
J. retailer's license, one thousand two hundred fifty pollars (\$1,250);
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K. dispenser's license, one thousand two hundred fifty follars (\$1,250);
L. canopy license, one thousand two hundred fifty dollars (\$1,250);
M. restaurant license, one thousand dollars (\$1,000);
N. club license, one thousand two hundred fifty dollars \$1, 250) ;
2. wine bottler's license to sell to wholesalers only, ive hundred dollars (\$500);
P. public service license, one thousand two hundred ifty dollars (\$1,250);
Q. nonresident licenses, for a total billing to New Mexico wholesalers in excess of:
$3,000,000$ annually
\$3,500;
1, 000, 000 annually
1,750;
500, 000 annually
1, 250 ;
200, 000 annually 900 ;

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Senator L. Skip Vernon

Not Adopted $\qquad$
(Chief Clerk)
(Chief Clerk)

Date $\qquad$

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