HOUSE BI LL 289
44th legislature - STATE OF NEW M EXICO - FIRSt session, 1999
I NTRODUCED BY
M guel P. Garcia

AN ACT
RELATI NG TO STATE AGENCI ES; PROVI DI NG FOR THE ALCOHOL AND GAM NG DI VI SI ON OF THE REGULATI ON AND LI CENSI NG DEPARTMENT; MAKI NG THE DI RECTOR OF THE DI VI SI ON A COVERED EMPLOYEE UNDER THE PROVI SI ONS OF THE PERSONNEL ACT.

BE IT ENACTED BY THE LEGI SLATURE OF THE STATE OF NEW MEXI CO:
Section 1. Section 9-16-4 NMSA 1978 (bei ng Laws 1983, Chapter 297, Section 20, as amended) is amended to read:
"9-16-4. DEPARTMENT ESTABLI SHED. -- There is created in the executive branch the "regul ation and Iicensing department". The department shall not be a cabi net department. The department shall consist of but not be I imited to [five] six di visions as follows:
A. the admini strati ve servi ces di vi si on;
B. the construction industries di vi sion;
C. the financial institutions di vi sion;
D. the securities di vi sion; [ and]
E. the manuf act ured housing di vi si on; and
F. the al cohol and gaming di vi si on."

Section 2. Section 9-16-7 NMSA 1978 (bei ng Laws 1983, Chapter 297, Section 23) is amended to read:
"9-16-7. DI VI SI ON DI RECTORS. - - The superi nt endent shal I appoint, with the approval of the governor, "directors" of the di vi sions established within the department. The positions so appoi nted are exempt fromthe Personnel Act, except for the director of the al cohol and gaming di vi si on, who shall be covered by the provisions of that act."

Section 3. Section 10-9-4 NMSA 1978 (bei ng Laws 1961, Chapter 240, Section 4, as amended) is amended to read:
"10-9-4. COVERAGE OF SERVI CE. -- The Personnel Act and the servi ce cover all state positions except:
A. officials el ected by popul ar vote or appointed to fill vacancies to el ective offices;
B. nembers of boards and commi ssi ons and heads of agenci es appoi nted by the governor;
C. heads of agenci es appoi nted by boards or commi ssi ons;
D. di rectors of department di vi sions, except as specifically provi ded ot herwi se by I aw;
E. those in educational institutions and in public . 126301. 1
school s;
F. those empl oyed by state institutions and by state agenci es provi ding educational programs and who are requi red to hol d valid certificates as certified school i nstructors as defined in Section 22-1-2 NMSA 1978 issued by the state board of education;
G. those in the governor's office;
H. those in the state militia or the commissioned officers of the New Mexi co state police di vision of the department of public safety;
I. those in the judicial branch of government;
J. those in the legi sl ati ve branch of government;
K. not more than two assi stants and one secretary in the office of each official listed in Subsections $A, B$ and C of this section, excl uding members of boards and commissions in Subsection B of $t$ hi s section;
L. those of a professional or scientific nature whi ch are temporary in nature;
$M$ those filled by patients or innates in charitable, penal or correctional institutions;
N. state empl oyees if the personnel board in its di scretion decides that the position is one of policymaking; and
O. di sadvant aged youth under twent $y$ - two years of age regul arly enrolled or to be enrolled in a secondary
educational institution approved by the state board of education or in an accredited state institution of advanced I earning or vocational trai ning and who are to be employed for not more than seven hundred twent y hours during any cal endar year:
(1) the term"di sadvant aged youth" shall be defined for purposes of this exemption by regul ation duly promil gat ed by the board; and
(2) the board shall:
(a) require that all the criteria of this subsection have been met;
(b) establ ish empl oyment lists for the certification of the hi ghest-standing candi dates to the prospecti ve empl oyers; and
(c) establish the pay rates for such empl oyees. "

Section 4. Section 60-3A-3 NMSA 1978 (bei ng Laws 1981, Chapter 39, Section 3, as amended) is amended to read:
"60-3A-3. DEFI NI TI ONS.--As used in the Li quor Control Act:
A. "al coholic bever ages" means distilled or rectified spirits, potable al cohol, brandy, whi skey, rum gin and aromatic bitters bearing the federal internal revenue strip stamps or any similar al cohol ic beverage, incl uding blended or fermented beverages, dilutions or mixtures of one . 126301. 1
or more of the foregoing containing more than one-hal fof one percent al cohol, but excl udi ng medi ci nal bitters;
B. "beer" means any al cohol ic bever age obtai ned by the ferment ation of any infusi on or decoction of barley, malt and hops or other cereal s in water, and includes porter, beer, ale and stout;
C. "brewer" means any person who owns or oper ates a business for the manuf act ure of beer;
D. "cl ub" means:
(1) any nonprofit group, incl udi ng an auxiliary or subsi di ary group, or gani zed and oper at ed [ undef] pursuant to the Iaws of this state with a membership of not Iess than fifty members who pay membership dues at the rate of not less than five dollars (\$5.00) per year and who, [ under] pursuant to the constitution and byl aws of the club, have all voting rights and full membership privileges and which group is the owner, lessee or occupant of premises used excl usi vel y for cl ub purposes and whi ch group the di rector finds:
(a) is operated sol el y for recreation, social, patriotic, political, benevol ent or athletic purposes; and
(b) the proposed Ii censee has been
granted an exemption by the United States fromthe payment of the federal income tax as a cl ub [ under] pursuant to the provisi ons of Section 501(a) of the Internal Revenue Code of . 126301. 1

1986, as amended, or if the applicant has not operated as a cl ub for a sufficient time to be el igible for the income tax exemption, it mist execute and file with the director a sworn I etter of intent declaring that it will, in good faith, apply for such exemption as soon as it is eligible; or
(2) an ai rline passenger menbership club operated by an ai $r$ common carrier [ that mai nt ai ns or oper ates a cl ubroom at an international airport terminal. For the purposes of this paragraph, "air common carrier" means a person engaged in regul arly schedul ed ai $r$ transportation bet ween fixed termini under a certificate of public conveni ence and necessity issued by the civil aeronautics board;
E. "commi ssi on" means the secretary of publ ic saf et $y$ when the termis used in reference to the enf orcement and investigatory provi si ons of the Li quor Control Act and means the [superintendent] director of the al cohol and gaming di vision of the regul ation and Iicensing department when the termis used in reference to the licensing provisions of the Li quor Control Act;
F. "department" means the special investigations di vision of the department of public safety when the termis used in reference to the enforcement and investigat ory provisions of the Li quor Control Act and means the [superintendent-] al cohol and gaming division of the regul ation . 126301. 1
and Iicensing department when the termis used in reference to the Iicensing provisions of the Li quor Control Act;
G. "di rector" means the di rector of the speci al i nvestigations di vision of the department of public safety when the termis used in reference to the enforcement and i nvesti gat ory provisions of the Li quor Control Act and means the [superintendent] di rector of the al cohol and gaming di vision of the regul ation and Iicensing department when the termis used in reference to the licensing provisions of the Li quor Control Act;
H. "di spenser" means any person licensed [ under] pursuant to the provisions of the Li quor Control Act selling, offering for sale or having in his possessi on with the intent to sell al coholic beverages both by the drink for consumption on the licensed premises and in unbroken packages for consumption and not for resale of $f$ the licensed premises;
I. "di stiller" means any person engaged in manuf acturing spirituous liquors;
J. "governi ng body" means the board of county commi ssi oners of a county or the city council or city commissioners of a municipality;
K. "hotel " means any establ i shment or complex having a resident of New Mexi co as a proprietor or manager and where, in consi deration of payment, meals and Iodging are regul arly furni shed to the general public. The establ ishment . 126301. 1
or compl ex must mai nt ai $n$ for the use of its guests a min mum of $t$ went $y$-five sleeping roons;
L. "li censed premises" means the contiguous areas or areas connected by indoor passageways of a structure and the outside di ning, recreation and lounge areas of the structure [ chich that are under the direct control of the Iicensee and from whi ch the licensee is authorized to sell, serve or allow the consumption of al cohol ic beverages under the provisions of its license; provi ded that in the case of a restaurant, hotel or racetrack, "licensed premises" includes all public and private roons, facilities and areas in which al cohol ic beverages are sold or served in the customary operating procedures of the restaurant, hotel or racetrack; M "local option di strict" means any county [ Which] that has voted to approve the sale, serving or public consumption of al cohol ic beverages, or any incorporated muni ci pality [ chich] that falls within a county [ that has voted to approve the sale, serving or public consumption of al coholic beverages, or any incorporated mini ci pality of over five thousand popul ation whi ch has independently voted to approve the sale, serving or publ ic consumption of coholic beverages under the terms of the Li quor Control Act or any former act;

> N. "manufacturer" means a distiller, rectifier, brewer or wi ner;
. 126301. 1
O. "minor" means any person under twent $y$-one years of age;
P. "package" means any i mmedi ate cont ai ner of al cohol ic beverages [ chich that is filled or packed by a manuf acturer or wi ne bottler for sale by the manufacturer or wi ne bottler to whol esal ers;
Q. "person" means an i ndi vi dual, corporation, firm partnershi $p$, copartnershi $p$, association or other legal entity;
R. "rectifier" means any person who blends, mixes or distills al cohol with other liquids or substances for the purpose of making an al cohol ic bever age for the purpose of sale ot her than to the consumer by the drink, and includes all bottlers of spirituous liquors;
S. "restaurant" means any establ ishment having a New Mexi co resident as a proprietor or manager [ chi that is hel d out to the public as a place where meals are prepared and served primarily for on- premi ses consumption to the general publ ic in consi deration of payment and [ ch] has a dining room a kitchen and the employees necessary for preparing, cooking and serving meals; provi ded that "restaurant" does not incl ude establ i shments as defined in regul ations promul gated by the di rector serving onl y hamburgers, sandwi ches, sal ads and other fast foods;
T. "retailer" means any person licensed [ under]
pursuant to the provisions of the Li quor Control Act selling, offering for sale or having in his possession with the intent to sell any al coholic beverages in unbroken packages for consumption and not for resale of $f$ the licensed premises;
U. "spirituous liquors" means al coholic bever ages as defined in Subsection $A$ of thi $s$ section except fermented beverages such as wi ne, beer and al e;
V. "whol esal er" means any person whose pl ace of busi ness is located in New Mexi co and who sells, offers for sale or possesses for the purpose of sale any al cohol ic beverages for resale by the purchaser;

W "wi ne" includes the words "fruit juices" and means al coholic beverages obtai ned by the fermentation of the nat ural sugar contai ned in fruit or ot her agricultural products, with or without the addition of sugar or other products, whi ch do not contain less than one-hal $f$ of one percent nor more than twent y-one percent al cohol by vol ume;
X. "wi ne bottler" means any New Mexi co whol esal er who is licensed to sell wi ne at whol esale for resale onl y and who buys wi ne in bul $k$ and bottles it for whol esale resal e;
Y. "wi negrower" means any person who owns or operates a busi ness for the manuf acture of wi ne; and

> Z. "wi ner" means a wi negrower."

