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**NM Economic and Rural Development Committee**  
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**Quota and Personal Property Right of a NM liquor licensee**

Many New Mexico banks, lending institutions and private parties have loaned money to buyers in order for the buyer to purchase a NM Dispenser or Retail liquor license. The definition of quota is defined in the following section of the Liquor control Act:

**60-6B-18.** Limitation on number of licenses: exceptions.

This section of the law defines the quota of one license per 2,000 persons.

The personal property right is fully determined by the following section of the Liquor Control Act:

**60-6B-19** No Property right in license: exception.

This section addresses the property right of a license as follows:

1. Shall be considered property subject to execution, attachment, a security transaction, liens, receivership and all other incidents of tangible personal property under the laws of this state,.....
2. May be assigned, transferred from person to person or leased, provided all requirements of the Liquor control Act and department regulations are fulfilled
3. Shall be transferred as personal property upon attachment, execution, repossession by a secured party or lienor, foreclosure by a creditor, appointment of a receiver for the licensee, death of the licensee, filing of a petition of bankruptcy by or for the licensee, incapacity of the licensee or dissolution of the licensee. The director may by rule or regulation determine any application or notice requirement for a person who temporarily holds a license pursuant to this subsection.

This is the provision adequately defines the property right in a NM liquor license and this is also the provision that protects the banks, lending institutions and private parties in securing a liquor license as collateral for a loan.

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## NM Alcohol & Gaming Division (AGD) hearings to update the Liquor Control Act.

During 2013 and 2014 the AGD conducted many statewide hearings pursuant to Senate Memorial 77, which mandated such hearings across the state to amend and update the Liquor Control Act.

AGD Director Mary Kay Root chaired and conducted these statewide hearings. She formed 5 major subcommittees, which were 1. Public Safety & Enforcement, 2. Current Quota Liquor License Holders, 3. Economic Development, 4. Rural Economic Development and 5. Trade Practices

The following was a consensus of the Rural Economic Development subcommittee that was presented to the :

1. Allow the dispenser liquor licenses to be able to transfer statewide.
2. Create a new state license classified as a “rural replacement dispenser license: to replace quota dispenser licenses transferred out of a rural under-quota local option district. Availability would be by a lottery system and this license would be non-transferrable.
3. Extend restaurant beer & wine license hours until midnight on Friday and Saturday nights (current law requires an 11pm closure).
4. Amend the Liquor Control Act to ease fingerprint restrictions on corporate stockholders who do not have participation in the operation of a liquor license.

The following was a consensus of the Current Quota Liquor License Holders:

1. Amend the law to ease fingerprint restrictions on corporate stockholders who do not have active participation in the operation of a license.
2. Amend Section 60-6B-12A (1) by striking that section which would allow “stranded” licenses to transfer out of their Local Option Districts (LOD)
3. Amend Section 69-6B-12B by striking that section that mandated that you operate a license for at least one year after a transfer.

4. Allow for an LOD in a non-class A county to authorize an election in non-Class A counties and authorize a Rural Replacement Dispenser license in an LOD that is under quota. With a limit of only 1 per county and no more than 5 in any calendar year could be issued during that calendar year.