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FISCAL IMPACT REPORT

SPONSOR	Shendo/Muñoz	ORIGINAL DATE LAST UPDATED	HB		
SHORT TIT	SB	124/aSFlr#1			

ANALYST Amacher

<u>APPROPRIATION</u> (dollars in thousands)

Appropri	iation	Recurring	Fund
FY17 FY18		or Nonrecurring	Affected
None	None		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB 162, Relates to SB 37, SB 57, SB 58, and HB 39, HB 51, HB 56

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> New Mexico Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of SFL Amendment #1

The Senate Floor Amendment reduces the hours of sale of alcoholic beverages for consumption off a licensed premises in the ordinance adopted by certain local option districts from 11:00 p.m. to 10:00 p.m.

Synopsis of Bill

Senate Bill 124 amends Business Licenses Offenses (Section 60-7A-1 NMSA 1978) by providing for certain local option districts to restrict the hours of sale of alcoholic beverages for consumption off a licensed premises. SB 124 is applicable to a class B county, or a municipality within a class b county, with a population greater than 70,000 and less than 76,000. The effective date of this bill is July 1, 2017.

FISCAL IMPLICATIONS

No known fiscal impact.

Senate Bill 124/aSFlr#1 – Page 2

SIGNIFICANT ISSUES

Senate Bill 124 amends Business Licenses Offenses by providing for certain local option districts to restrict the hours of sale between 7:00 a.m. and 11:00 a.m. of alcoholic beverages for consumption off a licensed premises. SB 124 authorizes local option districts a class B county is, or a municipality within a class B county with a population greater than 70,000 and less than 76,000 to pass an ordinance restricting only the hours of sale.

SB 124 also replaces the term "shall" with "may" providing an option to the dispenser or retailer to sell alcoholic beverages on licensed premises for off-premises consumption . Furthermore, SB 124 makes it clear that this option to the dispenser or retailer is "only" available on Mondays through Saturdays from 7:00 a.m. until midnight, except as provided by the restrictions of the local option district ordinance.

DUPLICATION

HB 162 duplicates SB 124.

OTHER SUBSTANTIVE ISSUES

RLD indicates the populations of McKinley County and the City of Gallup satisfy the criteria of such counties or municipalities. This legislation allows applicable local option districts to adopt local ordinances changing hours of operation for package liquor establishments. RLD comments there is precedent in the Liquor Control Act for tailoring certain provisions specific to the City of Gallup and McKinley County

RLD mentions the City of Gallup and McKinley County have been looking for solutions to local alcohol issues. The Alcohol Gaming Division of RLD has met with city officials on several occasions to detail the issues faced in their communities. The Navajo Nation also seeks solutions. One of the most difficult issues, as reported by RLD, is dealing with the numbers of intoxicated persons who are solely on foot. Law enforcement resources are stretched dealing with DWIs, and those who walk intoxicated can be picked up and held only briefly. The treatment facilities are full and funding depleted. By 7:00 a.m. liquor patrons are already present waiting for the package store doors to open and, since the patrons are not intoxicated at that time, the alcohol sales are permitted by law. This legislation is a focused attempt to deal directly with local issues faced in the local option districts that may be impacted by SB 124.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The hours of sale for liquor will not be restricted within class B counties, or a municipality with a class B county, based upon county population. Alcoholic beverages shall be sold by a dispenser or retailer Mondays through Saturdays from 7:00 a.m. until midnight, with the existing exceptions relating to a local option district's decision for Sunday sales and sales on Christmas day.

JMA/al/sb/jle