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FISCAL IMPACT REPORT

ORIGINAL DATE 02/27/17

SPONSOR Griggs/Pirtle LAST UPDATED _____ HB _____

SHORT TITLE Rename Alcohol & Gaming Division SB 395

ANALYST Amacher

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Minimal	Minimal		Nonrecurring	See Fiscal Impacts

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)
 Office of the Attorney General (OAG)
 Regulation & Licensing Department (RLD)

SUMMARY

Synopsis of the Bill

Senate Bill 395 relates to executive reorganization in the renaming of the Alcohol and Gaming Division to the Alcoholic Beverage Control Division. SB 395 also provides for updates to statutory references; and provides for transfers of authorities necessary to carry out the provisions of this act. If enacted, SB 395 becomes effective June 16, 2017.

FISCAL IMPLICATIONS

The Regulation & Licensing Department (RLD) indicates a minimal fiscal impact, without noting a range or annual cost, to update records, websites, rules, and the like in updating the name to the Alcoholic Beverage Control Division.

SIGNIFICANT ISSUES

Senate Bill 395 relates to executive reorganization in the renaming of the Alcohol and Gaming Division to the Alcoholic Beverage Control Division. SB 395 also provides for updates to statutory references; and provides for transfers to carry out the provisions of this act. As

outlined, references to the *Alcohol and Gaming* are replaced with *Alcoholic Beverage Control* in the certain sections law under the Executive Department (Chapter 9-16-4 NMSA 1978) and in the Liquor Control Act (Chapter 60-3A-3, 7, and 8 NMSA 1978).

SB 395 outlines a temporary provision addressing transfers of property, contractual obligations and statutory references that goes into effect upon the effective date of this legislation.

ADMINISTRATIVE IMPLICATIONS

The division, even though it may have a new name as the Alcoholic Beverage Control, will continue to be a part of the Regulation & Licensing Department.

OTHER SUBSTANTIVE ISSUES

The Regulation & Licensing Department notes the name change will cause less confusion for the public as it will reflect the true scope of the agency functions. The division transferred all gaming function to the Gaming Control Board in 2005, but still gets numerous calls regarding lotteries and raffles, which need to be redirected to the appropriate agency.

RLD further comments this proposed legislation will clarify the proper role and duties of the division since, in most states, the name is traditionally either *Alcohol Beverage Control* or *Alcoholic Beverage Commission* (if there is a governing commission.) RLD notes that most entrepreneurs will have conducted research into licensure, compliance and other related matters in deciding to begin their first liquor business in the state or expand a multi-state presence. Use of the traditional designation will assist persons and entities that need to interact with the division in their business development.

JMA/jle