

LFC Requester:	Brendon Gray
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original	<input checked="" type="checkbox"/>	Amendment	<input type="checkbox"/>	Date	<u>1/24/24</u>
Correction	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Bill No:	<u>HB213</u>

Sponsor:	<u>Rep. Micaela Lara Cadena</u>	Agency Name and Code	<u>HCA-630</u>
Short	<u>LIQUOR TAXES &</u>	Number:	<u></u>
Title:	<u>DEFINITIONS</u>	Person Writing	<u>Alicia Salazar</u>
		Phone:	<u>505-795-3920</u>
		Email	<u>Alicia.salazar2@hds.nm.gov</u>

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$0	\$0	NA	NA

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
\$TBD	\$0	\$0	NA	SGF

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0	\$0	\$0	\$0	NA	NA

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

House Bill 213(HB 213) is an act that makes the retailer, not the wholesaler, the taxpayer. This bill changes tax rates to a percentage of the price paid to the retailer, changes the revenue distributions, and creates the Alcohol Substance Abuse Harms Alleviation Fund.

FISCAL IMPLICATIONS

None

SIGNIFICANT ISSUES

The 2023 New Mexico Data book indicated that there was an alcohol- related death rates of 2,712.3 per 100,000 in 2020. Bernalillo and Doña Ana County are listed as the highest-ranking counties for alcohol related deaths.

<https://nmcdd.maps.arcgis.com/apps/instant/portfolio/index.html?appid=e208194e049b49afabbd51a8d85d5449>

One in five deaths among working age adults (20-64) in NM is attributed to alcohol.

<https://www.nmhealth.org/data/view/substance/2682/>.

According to New Mexico Health Indicator Data and Statistics, 316,000 deaths per 100,000 population were alcohol related in New Mexico from 2016-2020 for individuals 25-64.

<https://ibis.doh.nm.gov/indicator/summary/AlcoholRelatedDth.html>

New Mexico has the highest drug-induced death rate in the nation, and the consequences of drug use continue to burden New Mexico communities.

<https://ibis.doh.nm.gov/topic/healthstatus/SubstanceUse.html>

Increasing funds for prevention, treatment, and recovery services to individuals throughout New Mexico including on lands of Indian nations, tribes and pueblos could assist in the identification and support to these individuals struggling with alcohol and substance use disorder. HCA aims to increase community- based resources statewide.

Administering the funds to the drug court fund, and the alcohol substance use harms alleviation fund may expand community-based resources that are tailored to the needs of the specific communities.

PERFORMANCE IMPLICATIONS

None

ADMINISTRATIVE IMPLICATIONS

No IT impact.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relationship to HB217 increases distributions from the Liquor Excise Tax to the Local DWI Grant Fund and the Drug Court Fund and eliminates distributions to the City of Gallup while adding a distribution to the Health Care Authority (HCA). Also increases distributions from the Motor Vehicle Excise Tax to the State Road Fund and the Transportation Project Fund while eliminating distribution to the General Fund.

Related HB179 that increases liquor excise tax rates and amends existing distributions of liquor excise tax revenues and adds a distribution to the Alcohol Harms Alleviation Fund, established by the bill.

Relationship to HB 212 which changes rates of the Liquor Excise Tax to a percentage basis; amends the distribution of the Liquor Excise Tax; creates the Alcohol and Substance Use Harms Alleviation Fund; and repeals the Local DWI Grant Program Act to the alcohol and substance use harms alleviation fund.

TECHNICAL ISSUES

“Prevention, treatment and recovery services” is not defined.

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo

AMENDMENTS

None