

LFC Requestor: Anderson, Ginger

2024 LEGISLATIVE SESSION  
AGENCY BILL ANALYSIS

Section I: General

Chamber: Senate

Category: Bill

Number: 163

Type: Introduced

Date (of THIS analysis): 1/24/2024

Sponsor(s): William Burt

Short Title: Direct Liquor Shipments

Reviewing Agency: Agency 665 - Department of Health

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 24	FY 25		
\$0	\$0	N/A	N/A

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 24	FY 25	FY 26		
\$0	\$0	\$0	N/A	N/A

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 24	FY 25	FY 26	3 Year Total Cost	Recurring or Non-recurring	Fund Affected
Total	\$0	\$0	\$0	\$0	N/A	N/A

### Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: None

Duplicates/Relates to an Appropriation in the General Appropriation Act: None

### Section IV: Narrative

#### 1. BILL SUMMARY

a) Synopsis

Senate Bill 163 (SB163) proposes to allow licensees with a small brewer's or craft distiller's license types to: (a) directly ship liquor and beer to a New Mexico resident who is 21 years of age or older for personal consumption but not resale, (b) allow small brewers and craft distillers to ship up to two 12-quart cases of beer or one 10.5-liter case of liquor per month using a registered common carrier for delivery, (c) allows licensees from other states that allow NM license holders reciprocal shipping privileges, up to two 9-liter cases of wine, two 12-quart cases of beer, or one 10.5-liter case of liquor per month to an individual in the state who is not a minor, and (d) prohibits alcohol delivery to a minor or to a person who is intoxicated at the time of delivery.

Is this an amendment or substitution?  Yes  No

Is there an emergency clause?  Yes  No

b) Significant Issues

- Since 1997, New Mexico (NM) has had the highest rate of alcohol-related death in the US ([nmhealth.org/data/view/substance/2682](http://nmhealth.org/data/view/substance/2682)).
- In 2022, the age-adjusted rate of alcohol-related death in NM was 93.8 deaths per 100,000 population. The rate of chronic alcohol death for 2022 was 52.8 deaths per 100,000 population (age-adjusted).
- In 2022, the age-adjusted rate of drug overdose in NM was 49.02 deaths per 100,000 population.
- This bill would allow NM residents to have delivered to their homes monthly:
  - 64 servings of beer
  - 121.7 servings of wine
  - 236.7 servings of liquor

The Centers for Disease Control and Prevention's (CDC) definition of heavy drinking is 8 or more drinks a week for women and 15 drinks or more per week for men. Monthly, this amount to 32 drinks a month for women, and 60 drinks a month for men

<https://www.cdc.gov/chronicdisease/resources/publications/factsheets/alcohol.htm#:~:text=Excessive%20alcohol%20use%20includes%3A,per%20week%20for%20a%20man.>

- Delivering alcohol directly to NM residents could increase the risk of binge drinking.
  - A survey conducted by Grossman et al. (2022) found that study participants who had alcohol delivered were twice as likely to report binge drinking when compared to those who accessed alcohol another way.  
(<https://journals.sagepub.com/doi/abs/10.1080/08897077.2022.2060432>).
- Alcohol delivery could increase underage drinking in the state.
  - In 2021, 19.5% of high school students reported current alcohol use, and 17.8% reported having their first drink before the age of 13 (New Mexico Department of Health, New Mexico Youth Risk and Resiliency Survey, [2021]). Of those who reported alcohol use, 39.4% said someone gave it to them, 14.3% said “took it from a store/family”, and 29.4% said “some other way.” 44% of current high school alcohol users reported drinking at home, and 40% drank at someone else’s home.
  - A 2000 study found that in a sample of over four thousand 12<sup>th</sup> graders, 10% had obtained alcohol through a home delivery service in the past year, and the study found a significant association with problem drinking behavior among that group ([Alcohol home delivery services: a source of alcohol for underage drinkers. \(jsad.com\)](#)).
  - A 2023 study found that among young people aged 18-25 who ordered alcohol for home delivery, 10% were able to complete a purchase without having their ID checked (<https://pubmed.ncbi.nlm.nih.gov/37173866/>).

## 2. PERFORMANCE IMPLICATIONS

- Does this bill impact the current delivery of NMDOH services or operations?
  - Yes  No
- Is this proposal related to the NMDOH Strategic Plan?  Yes  No
  - Goal 1:** We expand equitable access to services for all New Mexicans
  - Goal 2:** We ensure safety in New Mexico healthcare environments
  - Goal 3:** We improve health status for all New Mexicans
  - Goal 4:** We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals

This bill conflicts with Goal 3 because it would increase access to alcohol for New Mexicans and could possibly enable binge drinking behaviors through direct shipment to residents’ homes.

### 3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?  
 Yes  No  N/A
- If there is an appropriation, is it included in the LFC Budget Request?  
 Yes  No  N/A
- Does this bill have a fiscal impact on NMDOH?  Yes  No

### 4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH?  Yes  No

### 5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

None

### 6. TECHNICAL ISSUES

Are there technical issues with the bill?  Yes  No

The standard of “two twelve-quart cases of beer” should be better defined. This is not a standard industry measurement and should be further defined per case of beer (24 twelve-ounce cans or bottles) or some other standard measure of beer.

Page 6, line 6-7 states “per month to an individual not a minor in this state.” The phrase should be changed “to an individual over the age of 21 in this state.” A “minor” is a person under the age of 18, however the legal drinking age is 21.

Page 6, line 12-14 states “the package cannot be delivered to a minor or to an intoxicated person” should state “the package cannot be delivered to a person under the age of 21 or to an intoxicated person.”

This bill does not specify who is responsible for checking the ID of the person receiving the shipment, and ensuring they are not intoxicated. The bill also does not specify how intoxication is to be determined by the party completing the delivery.

### 7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written?  Yes  No
- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)?  Yes  No
- Does this bill conflict with federal grant requirements or associated regulations?  
 Yes  No
- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs?  Yes  No

None

## 8. DISPARITIES ISSUES

- American Indian/Alaska Native populations bear the greatest burden of alcohol-related death in NM. In 2022, the age-adjusted rate of alcohol-related death for American Indians in NM is 283.37 deaths per 100,000 population. This is over three times the rate of alcohol-related death in the state overall for the same year. (NMDOH, Vital Records & Health Statistics Bureau death data)
- In 2022, McKinley County's rate of alcohol-related death was 257.95 deaths per 100,000 population (age-adjusted). (NMDOH, Vital Records & Health Statistics Bureau death data).
- In 2022, Rio Arriba County's rate of alcohol-related death 199.68 deaths per 100,000 population (age-adjusted). (NMDOH, Vital Records & Health Statistics Bureau death data).
- In 2022, Catron County's rate of alcohol-related death was 179.73 deaths per 100,000 population (age-adjusted). (NMDOH, Vital Records & Health Statistics Bureau death data).
- Men have higher rates of alcohol death than women. In 2022 the age-adjusted rate of alcohol-related death in men was 135.30 deaths per 100,000 population, while women the rate was 54.2 deaths per 100,000 population (age-adjusted). (NMDOH, Vital Records & Health Statistics Bureau death data).

## 9. HEALTH IMPACT(S)

- If enacted, this bill could enable excessive alcohol consumption in NM. It would allow residents to have excessive amounts of alcohol delivered to their homes on a monthly basis. Excessive alcohol use includes ([What is excessive alcohol use? | Infographics | Online Media | Alcohol | CDC](#)):
  - Binge drinking – 4 or more drinks in a sitting for women, or 5 or more drinks in a sitting for men
  - Heavy drinking – 8 or more drinks per week for women, or 15 or more drinks per week for men.
  - Any alcohol use by pregnant women or anyone younger than 21.
- People who consume excessive alcohol will be most impacted if this bill is implemented. In 2022, more than half of the alcohol-related deaths in the state were due to chronic conditions. In New Mexico, alcoholic liver disease was responsible for 21.9 deaths per 100,000 population in 2022. In NM that same year, the rate of death from chronic liver disease was 52.8 deaths per 100,000 population (NMDOH, Vital Records Bureau). The national rate of death from chronic liver disease is 17 per 100,000 population, and the rate of alcoholic liver disease deaths is 10 per 100,000, which makes the death rate from chronic liver disease in NM 210% higher than the national rate, and the rate of alcoholic liver disease in NM is 119% higher than the national rate (CDC WONDER, [Alcohol home delivery services: a source of alcohol for underage drinkers. \(cdc.gov\)](#)).
- Alcohol is also responsible for a number of injury-related deaths. In NM, the rate of poisoning deaths where alcohol was involved but not the primary cause of death was 13.5 deaths per 100,000 population in 2022. That same year in NM, the rate of suicide was 5.7 deaths per 100,000 population (age-adjusted). (NMDOH, Vital Records & Health Statistics Bureau death data).

## 10. ALTERNATIVES

These changes cannot be implemented through any other mechanism.

**11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?**

If SB163 is not enacted, then direct alcohol shipment remains limited to licensed winegrowers, and would remain limited to the quantity of two 9-liter cases of wine per month.

**12. AMENDMENTS**

None.