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SENATE BILL 466

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

Antonio Maestas

AN ACT

RELATING TO LIQUOR; REDUCING THE RENEWAL FEES FOR A TYPE B RESTAURANT LICENSE; REMOVING THE RESTRICTION ON THE NUMBER OF DRINKS ALLOWED PER CUSTOMER; ALLOWING HOLDERS OF RESTAURANT A LICENSES TO OBTAIN RESTAURANT A NEW MEXICO SPIRITUOUS LIQUORS PERMITS WITHOUT HAVING TO BE IN GOOD STANDING FOR A PERIOD OF TWELVE CONSECUTIVE MONTHS; PROVIDING FOR LOCAL ENTERTAINMENT ZONES; CREATING A RESTAURANT C LICENSE; DELETING RESTRICTIONS REGARDING LICENSEE PROXIMITY TO CHURCHES; REDUCING CERTAIN PERMIT FEES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 60-6A-4 NMSA 1978 (being Laws 1981, Chapter 39, Section 21, as amended) is amended to read:

"60-6A-4. RESTAURANT LICENSE.--

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1 A. A local option district may approve the issuance
2 of restaurant licenses for the sale of beer and wine by holding
3 an election on that question pursuant to the procedures set out
4 in Section 60-5A-1 NMSA 1978. The election also may be
5 initiated by a resolution adopted by the governing body of the
6 local option district without a petition from qualified
7 electors having been submitted.

8 B. A local option district that has approved the
9 issuance of restaurant licenses for the sale of beer and wine
10 is deemed to have approved the issuance of restaurant licenses
11 for the sale of beer, wine and spirituous liquors in
12 restaurants unless the local option district affirmatively
13 adopts an ordinance prohibiting such licenses, except that a
14 local option district within a class B county having a
15 population of between fifty-six thousand and fifty-seven
16 thousand according to the 1980 federal decennial census that
17 has approved the issuance of restaurant licenses for the sale
18 of beer and wine is deemed not to have approved the issuance of
19 restaurant licenses for the sale of beer, wine and spirituous
20 liquors in restaurants unless the local option district
21 affirmatively adopts an ordinance approving such licenses.

22 C. A restaurant license issued or renewed on or
23 after July 1, [2021] 2025 that permits the sale and service of
24 beer, [~~and~~] wine and spirituous liquors produced or bottled by
25 or for a craft distiller pursuant to Section 60-6A-6.1 NMSA

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1 1978 only shall be designated a restaurant A license. The
2 license shall be issued in accordance with the provisions of
3 this section and rules adopted by the department.

4 D. A restaurant license issued on or after July 1,
5 2021 that permits the sale and service of beer, wine and
6 spirituous liquors shall be designated a restaurant B license.
7 The license shall be issued in accordance with the provisions
8 of this section and rules adopted by the department.

9 E. A restaurant license issued or renewed on or
10 after July 1, 2025 that permits the sale and service of beer
11 and wine only shall be designated a restaurant C license. The
12 license shall be issued in accordance with the provisions of
13 this section and rules adopted by the department.

14 [~~E.~~] F. After the approval of restaurant licenses
15 by the qualified electors of the local option district for the
16 sale of beer and wine and upon completion of all requirements
17 in the Liquor Control Act for the issuance of licenses, a
18 restaurant located or to be located within the local option
19 district may receive a restaurant A license to sell, serve or
20 allow the consumption of beer, [~~and~~] wine and spirituous
21 liquors produced or bottled by or for a craft distiller
22 pursuant to Section 60-6A-6.1 NMSA 1978; a restaurant B license
23 to sell, serve or allow the consumption of beer, wine and
24 spirituous liquors; or a restaurant C license to sell, serve or
25 allow the consumption of beer and wine subject to the following

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1 requirements and restrictions:

2 (1) the applicant shall submit evidence to the
3 department that the applicant has a current valid food service
4 establishment permit;

5 (2) the applicant shall satisfy the director
6 that the primary source of revenue from the operation of the
7 restaurant will be derived from food and not from the sale of
8 beer and wine;

9 (3) the director shall condition renewal upon
10 a requirement that no less than sixty percent of gross receipts
11 from the preceding twelve months' operation of the licensed
12 restaurant was derived from the sale of food;

13 (4) upon application for renewal, the licensee
14 shall submit an annual report to the director indicating the
15 annual gross receipts from the sale of food and from beer and
16 wine sales;

17 (5) all sales, services and consumption of
18 beer and wine authorized by a restaurant A license shall cease
19 at the time food sales and services cease or at 11:00 p.m.,
20 whichever time is earlier; and

21 ~~[(6) if Sunday sales have been approved in the~~
22 ~~local option district, a restaurant licensee may serve beer and~~
23 ~~wine on Sundays until the time meal sales and services cease or~~
24 ~~11:00 p.m., whichever time is earlier; and~~

25 ~~(7)]~~ (6) a restaurant A license, restaurant B

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1 license and restaurant C license shall not be transferable from
2 person to person but shall be transferable from one location to
3 another location within the same local option district.

4 ~~[F. Upon completion of all requirements in the~~
5 ~~Liquor Control Act for the issuance of licenses on and after~~
6 ~~July 1, 2021, and barring the adoption of an opt-out ordinance~~
7 ~~by the governing body of a local option district, a restaurant~~
8 ~~located or to be located within the local option district may~~
9 ~~receive a restaurant B license to sell, serve or allow the~~
10 ~~consumption of beer, wine and spirituous liquors subject to the~~
11 ~~following requirements and restrictions:~~

12 ~~(1) the applicant shall submit evidence to the~~
13 ~~department that the applicant has a current valid food service~~
14 ~~establishment permit;~~

15 ~~(2) the applicant shall satisfy the director~~
16 ~~that the primary source of revenue from the operation of the~~
17 ~~restaurant will be derived from the sale of food and not from~~
18 ~~the sale of beer, wine and spirituous liquors;~~

19 ~~(3) the director shall condition renewal upon~~
20 ~~a requirement that no less than sixty percent of gross receipts~~
21 ~~from the preceding twelve months' operation of the licensed~~
22 ~~restaurant was derived from the sale of food;~~

23 ~~(4) upon application for renewal, the licensee~~
24 ~~shall submit an annual report to the director indicating the~~
25 ~~annual gross receipts from the sale of food and from beer, wine~~

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1 ~~and spirituous liquors sales;~~

2 ~~(5) all sales, service and consumption of~~
3 ~~beer, wine and spirituous liquors authorized by a restaurant B~~
4 ~~license shall cease at the time food sales and services cease~~
5 ~~or at 11:00 p.m., whichever time is earlier;~~

6 ~~(6) a restaurant B licensee shall serve a~~
7 ~~single patron no more than three drinks containing not more~~
8 ~~than one and one-half ounces of spirituous liquor during any~~
9 ~~one visit to the restaurant;~~

10 ~~(7) if Sunday sales have been approved in the~~
11 ~~local option district, a restaurant B licensee may serve beer,~~
12 ~~wine and spirituous liquors on Sundays until the time meal~~
13 ~~sales and services cease or 11:00 p.m., whichever time is~~
14 ~~earlier; and~~

15 ~~(8) a restaurant B license shall not be~~
16 ~~transferable from person to person but shall be transferable~~
17 ~~from one location to another location within the same local~~
18 ~~option district.]~~

19 G. The provisions of Section 60-6A-18 NMSA 1978
20 shall not apply to restaurant licenses.

21 H. Nothing in this section shall prevent a
22 restaurant licensee from receiving other licenses pursuant to
23 the Liquor Control Act.

24 ~~[I. A person that has held a restaurant A license~~
25 ~~in good standing for a period of at least twelve consecutive~~

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1 ~~months shall, upon payment of a fee of five hundred dollars~~
2 ~~(\$500), be entitled to a restaurant A New Mexico spirituous~~
3 ~~liquors permit. In addition to being permitted to sell and~~
4 ~~serve beer and wine as authorized by a restaurant A license,~~
5 ~~the restaurant A New Mexico spirituous liquors permit shall~~
6 ~~entitle the licensee to also sell and serve spirituous liquors~~
7 ~~produced or bottled by or for a craft distiller pursuant to~~
8 ~~Section 60-6A-6.1 NMSA 1978.]"~~

9 SECTION 2. Section 60-6A-15 NMSA 1978 (being Laws 1981,
10 Chapter 39, Section 32, as amended) is amended to read:

11 "60-6A-15. LICENSE AND PERMIT FEES.--Except for calendar
12 years 2022 through 2031 for license holders who purchased their
13 license during the calendar years 2017 through 2021, who shall
14 be charged no fee for the issuance or renewal of a license,
15 every application for the issuance or renewal of the following
16 licenses and permits shall be accompanied by a fee in the
17 following specified amounts:

18 A. manufacturer's license as a distiller, except a
19 brandy manufacturer, three thousand dollars (\$3,000);

20 B. manufacturer's license as a brewer, three
21 thousand dollars (\$3,000);

22 C. manufacturer's license as a rectifier, one
23 thousand fifty dollars (\$1,050);

24 D. wholesaler's license to sell all alcoholic
25 beverages for resale only, two thousand five hundred dollars

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1 (\$2,500);

2 E. wholesaler's license to sell spirituous liquors
3 and wine for resale only, one thousand seven hundred fifty
4 dollars (\$1,750);

5 F. wholesaler's license to sell spirituous liquors
6 for resale only, one thousand five hundred dollars (\$1,500);

7 G. wholesaler's license to sell beer and wine for
8 resale only, one thousand five hundred dollars (\$1,500);

9 H. wholesaler's license to sell beer for resale
10 only, one thousand dollars (\$1,000);

11 I. wholesaler's license to sell wine for resale
12 only, seven hundred fifty dollars (\$750);

13 J. retailer's license, one thousand three hundred
14 dollars (\$1,300);

15 K. dispenser's license, one thousand three hundred
16 dollars (\$1,300);

17 L. canopy license, one thousand three hundred
18 dollars (\$1,300);

19 M. restaurant A license, [~~one thousand fifty~~
20 ~~dollars (\$1,050)~~] one thousand five hundred fifty dollars
21 (\$1,550);

22 N. restaurant B license, ten thousand dollars
23 (\$10,000) for the first year and six thousand dollars (\$6,000)
24 for subsequent years;

25 O. restaurant C license, one thousand fifty dollars

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1 (\$1,050);

2 ~~[P.]~~ P. club license, for clubs with more than two
3 hundred fifty members, one thousand two hundred fifty dollars
4 (\$1,250), and for clubs with two hundred fifty members or
5 fewer, two hundred fifty dollars (\$250);

6 ~~[P.]~~ Q. wine bottler's license to sell to
7 wholesalers only, five hundred dollars (\$500);

8 ~~[Q.]~~ R. public service license, one thousand two
9 hundred fifty dollars (\$1,250);

10 ~~[R.]~~ S. nonresident licenses, for a total billing
11 to New Mexico wholesalers:

- 12 (1) in excess of:
- 13 \$3,000,000 annually \$10,500;
- 14 1,000,000 annually 5,250;
- 15 500,000 annually 3,750;
- 16 200,000 annually 2,700;
- 17 100,000 annually 1,800;

18 and

- 19 50,000 annually 900;

20 and

- 21 (2) of \$50,000 or less \$300;

22 ~~[S.]~~ T. wine wholesaler's license, for persons with
23 sales of five thousand gallons of wine per year or less,
24 twenty-five dollars (\$25.00), and for persons with sales in
25 excess of five thousand gallons of wine per year, one hundred

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1 dollars (\$100);

2 [F.] U. beer bottler's license, two hundred dollars
3 (\$200);

4 [H.] V. third-party alcohol delivery license, not
5 to exceed one thousand dollars (\$1,000);

6 [V.] W. alcoholic beverage delivery permit, not to
7 exceed three hundred dollars (\$300); and

8 [W.] X. retailer's, dispenser's or canopy licenses,
9 if the licensee held the license on June 30, 2021, there shall
10 be no renewal fee for applications filed by the licensee or
11 successor licensees on or before June 30, 2026."

12 SECTION 3. A new section of the Liquor Control Act is
13 enacted to read:

14 "[NEW MATERIAL] LOCAL ENTERTAINMENT ZONES.--

15 A. The governing body of any county or municipality
16 may, by ordinance or resolution, create and designate an
17 "entertainment zone" within its jurisdiction.

18 B. The designation of an entertainment zone shall
19 be based on the governing body's determination that the area is
20 suitable for leisure, arts, culture and entertainment
21 activities, as evidenced by a concentration of restaurants,
22 bars, theaters, music venues and other entertainment-related
23 businesses. An entertainment zone designation shall include a
24 clearly defined geographic boundary in the creation ordinance
25 or resolution.

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1 C. Notwithstanding any limitations set forth by the
2 Liquor Control Act, within any entertainment zone, the
3 governing body may adopt its own regulations governing the
4 public purchase, possession and consumption of alcohol,
5 including open container allowances, hours of operation and
6 licensing provisions.

7 D. An establishment within an entertainment zone
8 that sells or serves alcoholic beverages must comply with all
9 applicable Liquor Control Act licensing requirements and any
10 additional conditions imposed by the governing body."

11 SECTION 4. REPEAL.--Section 60-6B-10 NMSA 1978 (being
12 Laws 1981, Chapter 39, Section 45, as amended) is repealed.

13 SECTION 5. EFFECTIVE DATE.--The effective date of the
14 provisions of this act is July 1, 2025.