AN ACT
RELATING TO LIQUOR CONTROL; AMENDING AND ENACTING SECTIONS OF THE LIQUOR CONTROL ACT TO PERMIT CERTAIN PERSONS TO DELIVER ALCOHOLIC BEVERAGES; ADDING A NEW TYPE OF RESTAURANT LICENSE THAT ALLOWS SALE OF ALCOHOLIC BEVERAGES IN RESTAURANTS; IMPOSING LICENSE ISSUANCE FEES; PROVIDING DEDUCTIONS FROM THE INCOME TAX, CORPORATE INCOME TAX AND GROSS RECEIPTS TAX FOR CERTAIN LICENSE HOLDERS; ALLOWING DISPENSER'S LICENSES TO BE TRANSFERRED OUT OF A LOCAL OPTION DISTRICT INTACT.

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

SECTION 1. A new section of the Income Tax Act is enacted to read:

"DEDUCTION--INCOME FROM LEASING A LIQUOR LICENSE.--

A. Prior to January 1, 2026, a taxpayer who is a liquor license lessor and who held the license on June 30, 2021 may claim a deduction from net income in an amount equal to the gross receipts from sales of alcoholic beverages made by each liquor license lessee in an amount, if the liquor license is a dispenser's license and sales of alcoholic beverages for consumption off premises are less than fifty percent of total alcoholic beverage sales, not to exceed fifty thousand dollars ($50,000) for each of four taxable years.

B. Married individuals filing separate returns for
a taxable year for which they could have filed a joint return may each claim only one-half of a deduction provided by this section that would have been claimed on a joint return.

C. A taxpayer may claim the deduction provided by this section in proportion to the taxpayer's ownership interest if the taxpayer owns an interest in a business entity that is taxed for federal income tax purposes as a partnership or limited liability company and that business entity has met all of the requirements to be eligible for the deduction. The total deduction claimed in the aggregate by all members of the partnership or association with respect to the deduction shall not exceed the amount of the deduction that could have been claimed by a sole owner of the business.

D. A taxpayer allowed a deduction pursuant to this section shall report the amount of the deduction to the department in a manner required by the department.

E. The department shall compile an annual report on the deduction provided by this section that shall include the number of taxpayers that claimed the deduction, the aggregate amount of deductions claimed and any other information necessary to evaluate the cost of the deduction. The department shall provide the report to the revenue stabilization and tax policy committee and the legislative finance committee with an analysis of the cost of the deduction.
F. As used in this section:

(1) "alcoholic beverage" means alcoholic beverage as defined in the Liquor Control Act;

(2) "dispenser's license" means a license issued pursuant to the provisions of the Liquor Control Act allowing the licensee to sell, offer for sale or have in the person's possession with the intent to sell alcoholic beverages both by the drink for consumption on the licensed premises and in unbroken packages, including growlers, for consumption and not for resale off the licensed premises;

(3) "growler" means a clean, refillable, resealable container that has a liquid capacity that does not exceed one gallon and that is intended and used for the sale of beer, wine or cider;

(4) "liquor license" means a dispenser's license issued pursuant to Section 60-6A-3 NMSA 1978 or a dispenser's license issued pursuant to Section 60-6A-12 NMSA 1978 issued prior to July 1, 2021;

(5) "liquor license lessee" means a person that leases a liquor license from a liquor license lessor; and

(6) "liquor license lessor" means a person that leases a liquor license to a third party.

SECTION 2. A new section of the Corporate Income and Franchise Tax Act is enacted to read:
"DEDUCTION--INCOME FROM LEASING A LIQUOR LICENSE.--

A. Prior to January 1, 2026, a taxpayer that is a liquor license lessor and that held the license on June 30, 2021 may claim a deduction from taxable income in an amount equal to the gross receipts from sales of alcoholic beverages made by each liquor license lessee in an amount, if the liquor license is a dispenser's license and sales of alcoholic beverages for consumption off premises are less than fifty percent of total alcoholic beverage sales, not to exceed fifty thousand dollars ($50,000) for each of four taxable years.

B. A taxpayer allowed a deduction pursuant to this section shall report the amount of the deduction to the department in a manner required by the department.

C. The department shall compile an annual report on the deduction provided by this section that shall include the number of taxpayers that claimed the deduction, the aggregate amount of deductions claimed and any other information necessary to evaluate the cost of the deduction. The department shall provide the report to the revenue stabilization and tax policy committee and the legislative finance committee with an analysis of the cost of the deduction.

D. As used in this section:

(1) "alcoholic beverage" means alcoholic
beverage as defined in the Liquor Control Act;

(2) "dispenser's license" means a license issued pursuant to the provisions of the Liquor Control Act allowing the licensee to sell, offer for sale or have in the person's possession with the intent to sell alcoholic beverages both by the drink for consumption on the licensed premises and in unbroken packages, including growlers, for consumption and not for resale off the licensed premises;

(3) "growler" means a clean, refillable, resealable container that has a liquid capacity that does not exceed one gallon and that is intended and used for the sale of beer, wine or cider;

(4) "liquor license" means a dispenser's license issued pursuant to Section 60-6A-3 NMSA 1978 or a dispenser's license issued pursuant to Section 60-6A-12 NMSA 1978 issued prior to July 1, 2021;

(5) "liquor license lessee" means a person that leases a liquor license from a liquor license lessor;

and

(6) "liquor license lessor" means a person that leases a liquor license to a third party."

SECTION 3. A new section of the Gross Receipts and Compensating Tax Act is enacted to read:

"DEDUCTION--SALES MADE BY DISPENSER'S LICENSE HOLDER.--

A. Prior to January 1, 2026, a liquor license
holder who held the license on June 30, 2021 may deduct from gross receipts the following receipts, for each dispenser's license for which sales of alcoholic beverages for consumption off premises are less than fifty percent of total alcoholic beverage sales, up to fifty thousand dollars ($50,000) of receipts from the sale of alcoholic beverages for taxable years 2022 through 2025.

B. A taxpayer allowed a deduction pursuant to this section shall report the amount of the deduction separately in a manner required by the department.

C. The department shall compile an annual report on the deduction provided by this section that shall include the number of taxpayers that claimed the deduction, the aggregate amount of deductions claimed and any other information necessary to evaluate the effectiveness of the deduction. The department shall compile and present the report to the revenue stabilization and tax policy committee and the legislative finance committee with an analysis of the cost of the deduction.

D. As used in this section:

(1) "alcoholic beverage" means alcoholic beverage as defined in the Liquor Control Act;

(2) "dispenser's license" means a license issued pursuant to the provisions of the Liquor Control Act allowing the licensee to sell, offer for sale or have in the
person's possession with the intent to sell alcoholic beverages both by the drink for consumption on the licensed premises and in unbroken packages, including growlers, for consumption and not for resale off the licensed premises;

(3) "growler" means a clean, refillable, resealable container that has a liquid capacity that does not exceed one gallon and that is intended and used for the sale of beer, wine or cider; and

(4) "liquor license holder" means a person that holds a retailer's license issued pursuant to Section 60-6A-2 NMSA 1978, a dispenser's license issued pursuant to Section 60-6A-3 NMSA 1978 or a dispenser's license issued pursuant to Section 60-6A-12 NMSA 1978 issued prior to July 1, 2021."

SECTION 4. A new section of the Liquor Control Act is enacted to read:

"ALCOHOLIC BEVERAGE DELIVERY PERMIT--THIRD-PARTY DELIVERY LICENSE.--

A. A person otherwise qualified pursuant to the provisions of the Liquor Control Act may apply for and the department may issue an alcoholic beverage delivery permit authorizing the person to deliver alcoholic beverages if the applicant holds a valid retailer's, dispenser's, craft distiller's, winegrower's, small brewer's or restaurant license; provided, however, that if the licensed premises has
indoor retail space greater than ten thousand square feet in size and is located within a class A county, the department may issue an alcoholic beverage delivery permit if:

(1) the license holder uses an identification verification system that meets the department's requirements to establish that the identification of the purchaser was checked, scanned and stored for each delivery transaction;

(2) no spirituous liquors are included in deliveries of alcoholic beverages;

(3) the liquor liability endorsement required pursuant to Paragraph (2) of Subsection H of this section is in an amount of not less than five million dollars ($5,000,000); and

(4) deliveries of alcoholic beverages are not made using a third-party alcohol delivery service pursuant to Subsection G of this section.

B. An alcoholic beverage delivery permit issued to a valid restaurant licensee shall only convey the authority to deliver alcoholic beverages concurrently with the delivery of a minimum of ten dollars ($10.00) worth of food; provided that under no circumstances shall the delivery of alcoholic beverages be more than seven hundred fifty milliliters of wine, six twelve-ounce containers of prepackaged wine, beer, cider or spirituous liquors or one locally produced growler.
C. An alcoholic beverage delivery permit is not transferable from person to person or from one location to another.

D. An alcoholic beverage delivery permit issued pursuant to this section is valid for one year from the date of issuance. An alcoholic beverage delivery permittee may renew an alcoholic beverage delivery permit annually as required by the department.

E. The director shall promulgate rules to implement the provisions of this section, which shall include the following requirements and restrictions:

   (1) an alcoholic beverage delivery permittee shall deliver alcoholic beverages only in unbroken packages or growlers;

   (2) payment for alcoholic beverages shall be received only at the licensed premises of the selling licensee personally or by other means, including telephonically, electronically, via website, application or internet platform;

   (3) a licensee shall not change the price charged for an alcoholic beverage because that beverage is purchased for delivery; provided that a separate fee may be charged for delivery; and further provided that the fee shall be disclosed to the customer at the time of the purchase;

   (4) deliveries of alcoholic beverages shall...
occur only during the hours the selling licensee is authorized to sell alcoholic beverages;

(5) an alcoholic beverage delivery permittee shall not deliver an alcoholic beverage to a business, a commercial establishment, a college or university campus or a school campus that is not a home school;

(6) an alcoholic beverage delivery permittee delivering alcoholic beverages shall obtain valid proof of the recipient's identity and age;

(7) deliveries of alcoholic beverages shall not be made to an intoxicated person in violation of Section 60-7A-16 NMSA 1978 or to a minor in violation of Section 60-7B-1 NMSA 1978;

(8) while delivering alcoholic beverages, an alcoholic beverage delivery permittee shall have in the permittee's possession only alcoholic beverages that have been purchased for delivery; and

(9) while delivering alcoholic beverages, an alcoholic beverage delivery permittee shall have in the permittee's possession the original or an electronic or physical copy of the permittee's alcoholic beverage delivery permit.

F. A licensee that holds an alcoholic beverage delivery permit issued pursuant to this section may utilize an employee who is at least twenty-one years of age and who
holds a valid server permit to deliver alcoholic beverages.

G. A licensee that holds an alcoholic beverage delivery permit issued pursuant to this section may contract with a third-party alcohol delivery service licensed by the department; provided that the licensee, the third-party alcohol delivery service and the server who delivers alcohol may be separately liable for violations of the Liquor Control Act, including for the delivery of alcohol to an intoxicated person or to a minor.

H. The department, by rule, shall create a third-party alcohol delivery permit and, at a minimum, condition the issuance of a third-party alcohol delivery permit on:

   (1) requiring that all delivery employees or independent contractors of the third-party alcohol delivery service hold a valid New Mexico alcohol server permit; and

   (2) requiring proof of general liability insurance coverage with a liquor liability endorsement in an amount not less than one million dollars ($1,000,000) per occurrence, which endorsement shall provide coverage for employees or independent contractors of the third-party alcohol delivery service.

I. A person, company or licensee that wishes to deliver retail sales of alcohol in New Mexico on behalf of valid retailer's, dispenser's, craft distiller's, winegrower's, small brewer's or restaurant licensees that
also hold a valid alcoholic beverage delivery permit shall obtain a third-party alcohol delivery license from the department.

J. An applicant for a third-party alcohol delivery license is required to be authorized to do business in this state, may not share in the profits of the sale of alcohol with a licensee and may only charge a delivery fee that is disclosed to the buyer at the time of sale.

K. A third-party alcohol delivery licensee shall not have the ability to buy, hold or deliver alcohol under its own license but to only allow for delivery of alcohol from a licensed premises and from a qualified licensee with a valid alcoholic beverage delivery permit to the buyer.

L. A third-party alcohol delivery licensee shall be independently liable for the delivery of alcoholic beverages to an intoxicated person or to a minor or for any violation of the Liquor Control Act and be subject to suspension, revocation or administrative fine pursuant to Sections 60-6C-1 through 60-6C-6 NMSA 1978.

M. A third-party alcohol delivery license shall be valid for one year, and may be renewed."

SECTION 5. Section 60-3A-3 NMSA 1978 (being Laws 1981, Chapter 39, Section 3, as amended by Laws 2019, Chapter 29, Section 2 and by Laws 2019, Chapter 229, Section 3) is amended to read:
"60-3A-3. DEFINITIONS.--As used in the Liquor Control Act:

A. "alcoholic beverages" means distilled or rectified spirits, potable alcohol, powdered alcohol, frozen or freeze-dried alcohol, brandy, whiskey, rum, gin and aromatic bitters bearing the federal internal revenue stamp or any similar alcoholic beverage, including blended or fermented beverages, dilutions or mixtures of one or more of the foregoing containing more than one-half percent alcohol, but excluding medicinal bitters;

B. "beer" means an alcoholic beverage obtained by the fermentation of any infusion or decoction of barley, malt and hops or other cereals in water, and includes porter, beer, ale and stout;

C. "brewer" means a person who owns or operates a business for the manufacture of beer;

D. "cider" means an alcoholic beverage made from the normal alcoholic fermentation of the juice of sound, ripe apples or pears that contains not less than one-half of one percent alcohol by volume and not more than eight and one-half percent alcohol by volume;

E. "club" means:

(1) any nonprofit group, including an auxiliary or subsidiary group, organized and operated under the laws of this state, with a membership of not less than
fifty members who pay membership dues at the rate of not less than five dollars ($5.00) per year and who, under the constitution and bylaws of the club, have all voting rights and full membership privileges, and which group is the owner, lessee or occupant of premises used exclusively for club purposes and which group the director finds:

(a) is operated solely for recreation, social, patriotic, political, benevolent or athletic purposes; and

(b) has been granted an exemption by the United States from the payment of the federal income tax as a club under the provisions of Section 501(a) of the Internal Revenue Code of 1986, as amended, or, if the applicant has not operated as a club for a sufficient time to be eligible for the income tax exemption, it must execute and file with the director a sworn letter of intent declaring that it will, in good faith, apply for an income tax exemption as soon as it is eligible; or

(2) an airline passenger membership club operated by an air common carrier that maintains or operates a clubroom at an airport terminal. As used in this paragraph, "air common carrier" means a person engaged in regularly scheduled air transportation between fixed termini under a certificate of public convenience and necessity issued by the federal aviation administration;
F. "commission" means the secretary of public safety when the term is used in reference to the enforcement and investigatory provisions of the Liquor Control Act and means the superintendent of regulation and licensing when the term is used in reference to the licensing provisions of the Liquor Control Act;

G. "department" means the New Mexico state police division of the department of public safety when the term is used in reference to the enforcement and investigatory provisions of the Liquor Control Act and means the director of the alcoholic beverage control division of the regulation and licensing department when the term is used in reference to the licensing provisions of the Liquor Control Act;

H. "director" means the chief of the New Mexico state police division of the department of public safety when the term is used in reference to the enforcement and investigatory provisions of the Liquor Control Act and means the director of the alcoholic beverage control division of the regulation and licensing department when the term is used in reference to the licensing provisions of the Liquor Control Act;

I. "dispenser" means a person licensed under the provisions of the Liquor Control Act selling, offering for sale or having in the person's possession with the intent to sell alcoholic beverages both by the drink for consumption on
the licensed premises and in unbroken packages, including locally produced growlers, for consumption and not for resale off the licensed premises;

J. "distiller" means a person engaged in manufacturing spirituous liquors;

K. "golf course" means a tract of land and facilities used for playing golf and other recreational activities that includes tees, fairways, greens, hazards, putting greens, driving ranges, recreational facilities, patios, restaurants, banquet halls, pro shops, cart paths and public and private roads that are located within the tract of land;

L. "governing body" means the board of county commissioners of a county or the city council or city commissioners of a municipality;

M. "growler" means a clean, refillable, resealable container that has a liquid capacity that does not exceed one gallon and that is intended and used for the sale of New Mexico-produced beer, wine or cider for consumption off premises;

N. "hotel" means an establishment or complex having a resident of New Mexico as a proprietor or manager and where, in consideration of payment, food and lodging are regularly furnished to the general public. The establishment or complex must maintain for the use of its guests a minimum
of twenty-five sleeping rooms;

O. "licensed premises" means the contiguous areas of the structure and the grounds that are under the direct control of the licensee; provided that "licensed premises" includes a restaurant that has operated continuously in two separate structures since July 1, 1987 and that is located in a local option district that has voted to disapprove the transfer of liquor licenses into that local option district, hotel, golf course, ski area or racetrack and all public and private rooms, facilities and areas in which alcoholic beverages are sold or served in the customary operating procedures of the restaurant, hotel, golf course, ski area or racetrack. "Licensed premises" also includes rural dispenser licenses located in the unincorporated areas of a county with a population of less than thirty thousand, located in buildings in existence as of January 1, 2012, that are within one hundred fifty feet of one another and that are under the direct control of the license holder;

P. "local option district" means a county that has voted to approve the sale, serving or public consumption of alcoholic beverages, or an incorporated municipality that falls within a county that has voted to approve the sale, serving or public consumption of alcoholic beverages, or an incorporated municipality of over five thousand population that has independently voted to approve the sale, serving or
public consumption of alcoholic beverages under the terms of
the Liquor Control Act or any former act;

Q. "manufacturer" means a distiller, rectifier,
brewer or winer;

R. "minor" means a natural person under twenty-one
years of age;

S. "package" means a container of alcoholic
beverages that is filled or packed by a manufacturer or wine
bottler for sale by the manufacturer or wine bottler to
wholesalers;

T. "person" means an individual, corporation,
firm, partnership, copartnership, association or other legal
entity;

U. "rectifier" means a person who blends, mixes or
distills alcohol with other liquids or substances for the
purpose of making an alcoholic beverage for the purpose of
sale other than to the consumer by the drink, and includes
all bottlers of spirituous liquors;

V. "restaurant" means an establishment having a
New Mexico resident as a proprietor or manager that is held
out to the public as a place where food is prepared and
served primarily for on-premises consumption to the general
public in consideration of payment and that has a dining
room, a kitchen and the employees necessary for preparing,
cooking and serving food; provided that "restaurant" does not
include establishments as defined in rules promulgated by the
director serving only hamburgers, sandwiches, salads and
other fast foods;

W. "retailer" means a person licensed under the
provisions of the Liquor Control Act selling, offering for
sale or having in the person's possession with the intent to
sell alcoholic beverages in unbroken packages, including
growlers, for consumption and not for resale off the licensed
premises;

X. "ski area" means a tract of land and facilities
for the primary purpose of alpine skiing, snowboarding or
other snow sports with trails, parks and at least one
chairlift with uphill capacity and may include facilities
necessary for other seasonal or year-round recreational
activities;

Y. "spirituous liquors" means alcoholic beverages
as defined in Subsection A of this section except fermented
beverages such as wine, beer and cider;

Z. "wholesaler" means a person whose place of
business is located in New Mexico and who sells, offers for
sale or possesses for the purpose of sale any alcoholic
beverages for resale by the purchaser;

AA. "wine" means alcoholic beverages obtained by
the fermentation of the natural sugar contained in fruit or
other agricultural products, with or without the addition of
sugar or other products, that do not contain less than one-half percent nor more than twenty-one percent alcohol by volume;

BB. "wine bottler" means a wholesaler who is licensed to sell wine at wholesale for resale only and who buys wine in bulk and bottles it for wholesale resale;

CC. "winegrower" means a person who owns or operates a business for the manufacture of wine or cider;

DD. "winer" means a winegrower; and

EE. "winery" means a licensed premises in which a winegrower manufactures and stores wine or cider."

SECTION 6. A new section of the Liquor Control Act, Section 60-3A-13 NMSA 1978, is enacted to read:

"60-3A-13. PROHIBITED SALE OF CERTAIN SPIRITUOUS LIQUORS.--A liquor license holder shall not sell for consumption off premises closed containers containing fewer than three fluid ounces of spirituous liquors."

SECTION 7. Section 60-6A-2 NMSA 1978 (being Laws 1981, Chapter 39, Section 19) is amended to read:

"60-6A-2. RETAILER'S LICENSE.--

A. In any local option district, a person qualified under the provisions of the Liquor Control Act may apply for and be issued a retailer's license for the retail sale of alcoholic beverages.

B. A retailer's license, when issued, shall only
be used by the person to whom the license is issued and shall only be used within the licensed premises, pursuant to provisions of the Liquor Control Act.

C. In any local option district within a class B county having a population of between fifty-six thousand and fifty-seven thousand according to the 1980 federal decennial census, a person with a retailer's or dispenser's license that sells retail gasoline on the premises shall not sell alcoholic beverages other than beer with less than ten percent alcohol by volume."

SECTION 8. Section 60-6A-3 NMSA 1978 (being Laws 1981, Chapter 39, Section 20) is amended to read:

"60-6A-3. DISPENSER'S LICENSE.--

A. In any local option district, a person qualified under the provisions of the Liquor Control Act may apply for and be issued a dispenser's license for the sale of alcoholic beverages.

B. A dispenser's license, when issued, shall only be used by the person to whom the license is issued and shall only be used within the licensed premises, pursuant to provisions of the Liquor Control Act.

C. In any local option district within a class B county having a population of between fifty-six thousand and fifty-seven thousand according to the 1980 federal decennial census, a person with a dispenser's license that sells retail
gasoline on the premises shall not sell alcoholic beverages other than beer with less than ten percent alcohol by volume."

SECTION 9. Section 60-6A-4 NMSA 1978 (being Laws 1981, Chapter 39, Section 21, as amended) is amended to read:

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

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

B. A local option district that has approved the issuance of restaurant licenses for the sale of beer and wine is deemed to have approved the issuance of restaurant licenses for the sale of beer, wine and spirituous liquors in restaurants unless the local option district affirmatively adopts an ordinance prohibiting such licenses, except that a local option district within a class B county having a population of between fifty-six thousand and fifty-seven thousand according to the 1980 federal decennial census that has approved the issuance of restaurant licenses for the sale of beer and wine is deemed not to have approved the issuance of restaurant licenses for the sale of beer, wine and
spirituous liquors in restaurants unless the local option
district affirmatively adopts an ordinance approving such
licenses.

C. A restaurant license issued or renewed on or
after July 1, 2021 that permits the sale and service of beer
and wine only shall be designated a restaurant A license.
The license shall be issued in accordance with the provisions
of this section and rules adopted by the department.

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

E. After the approval of restaurant licenses by
the qualified electors of the local option district for the
sale of beer and wine and upon completion of all requirements
in the Liquor Control Act for the issuance of licenses, a
restaurant located or to be located within the local option
district may receive a restaurant A license to sell, serve or
allow the consumption of beer and wine subject to the
following requirements and restrictions:

(1) the applicant shall submit evidence to
the department that the applicant has a current valid food
service establishment permit;
(2) the applicant shall satisfy the director that the primary source of revenue from the operation of the restaurant will be derived from food and not from the sale of beer and wine;

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

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

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

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

(7) a restaurant A license shall not be transferable from person to person but shall be transferable from one location to another location within the same local option district.

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

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

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

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

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

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

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

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

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

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

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

I. A person that has held a restaurant A license in good standing for a period of at least twelve consecutive months shall, upon payment of a fee of five hundred dollars ($500), be entitled to a restaurant A New Mexico spirituous liquors permit. In addition to being permitted to sell and serve beer and wine as authorized by a restaurant A license,
the restaurant A New Mexico spirituous liquors permit shall entitle the licensee to also sell and serve spirituous liquors produced or bottled by or for a craft distiller pursuant to Section 60-6A-6.1 NMSA 1978."

SECTION 10. Section 60-6A-6.1 NMSA 1978 (being Laws 2011, Chapter 110, Section 3, as amended) is amended to read: "60-6A-6.1. CRAFT DISTILLER'S LICENSE.--

A. In any local option district, a person qualified pursuant to the provisions of the Liquor Control Act, except as otherwise provided in the Domestic Winery, Small Brewery and Craft Distillery Act, may apply for and be issued a craft distiller's license subject to the following conditions:

(1) the applicant submits evidence to the department that the applicant has a valid and appropriate permit issued by the federal government to be a craft distiller;

(2) renewal of the license shall be conditioned upon:

   (a) no less than sixty percent of the gross receipts from the sale of spirituous liquors for the preceding twelve months of the licensee's operation being derived from the sale of spirituous liquors produced by the licensee;

   (b) the manufacture of no less than
five hundred proof gallons of spirituous liquors per license year at the licensee's premises; and

(c) submission to the department by the licensee of a report showing the number of proof gallons of spirituous liquors manufactured by the licensee at the licensee's premises and the annual gross receipts from the sale of spirituous liquors produced by the licensee and from the licensee's sale of distilled spirituous liquors produced by other New Mexico licensed craft distillers;

(3) a craft distiller's license shall not be transferred from person to person or from one location to another;

(4) the provisions of Section 60-6A-18 NMSA 1978 shall not apply to a craft distiller's license; and

(5) nothing in this section shall prevent a craft distiller from receiving other licenses pursuant to the Liquor Control Act.

B. A person to whom a craft distiller's license is issued pursuant to this section may do any of the following:

(1) manufacture or produce spirituous liquors, including aging, filtering, blending, mixing, flavoring, coloring, bottling and labeling;

(2) store, transport, import or export spirituous liquors;

(3) sell only spirituous liquors that are
packaged by or for the craft distiller to a person holding a 
wholesaler's license, a craft distiller's license, a 
manufacturer's license, a small brewer's license or a 
winegrower's license;

(4) deal in warehouse receipts for 
spirituous liquors;

(5) buy spirituous liquors from other 
persons, including licensees and permittees under the Liquor 
Control Act, for use in blending, flavoring, mixing or 
bottling of spirituous liquors;

(6) buy or otherwise obtain beer from a 
small brewer or wine or cider from a winegrower for the 
purposes described in this subsection;

(7) be deemed a manufacturer for purposes of 
the Gross Receipts and Compensating Tax Act;

(8) conduct spirituous liquor, wine, cider 
or beer tastings and sell, by the glass or by the bottle, or 
in unbroken packages for consumption off the premises but not 
for resale, spirituous liquors of the craft distiller's own 
production or spirituous liquors produced by another New 
Mexico craft distiller or New Mexico manufacturer on the 
craft distiller's premises, wine or cider produced by a 
winegrower pursuant to Section 60-6A-11 NMSA 1978 or beer 
produced and bottled by or for a small brewer pursuant to 
Section 60-6A-26.1 NMSA 1978; and
(9) at no more than three other locations
off the craft distiller's premises, after the craft distiller
has paid the applicable fee for a craft distiller's off-premises permit, after the director has determined that the
off-premises locations meet the requirements of the Liquor
Control Act and department rules for new liquor license
locations and after the director has issued a craft
distiller's off-premises permit for each off-premises
location, conduct spirituous liquor, wine, cider or beer
tastings and sell by the glass, or in unbroken packages for
consumption and not for resale, spirituous liquors produced
and bottled by or for the craft distiller or spirituous
liquors produced and bottled by or for another New Mexico
craft distiller or manufacturer, wine or cider produced by a
winegrower pursuant to Section 60-6A-11 NMSA 1978 or beer
produced and bottled by or for a small brewer pursuant to
Section 60-6A-26.1 NMSA 1978.

C. For a public or private celebration on or off
the craft distiller's premises in any local option district
permitting the sale of alcoholic beverages, a craft distiller
shall pay ten dollars ($10.00) to the department for a "craft
distiller's public celebration permit" or a "craft
distiller's private celebration permit" to be issued under
rules adopted by the director. Upon request, the department
may issue to a craft distiller a public celebration permit
for a location at the public celebration that is to be shared
with other craft distillers, small brewers and winegrowers.

D. At private celebrations on or off the craft
distiller's premises after the craft distiller has paid the
applicable fees and been issued the appropriate permit, the
craft distiller may sell by the glass spirituous liquors
produced by or for the craft distiller, wine or cider
produced by a winegrower pursuant to Section 60-6A-11 NMSA
1978 or beer produced and bottled by or for a small brewer
pursuant to Section 60-6A-26.1 NMSA 1978.

E. As used in this section:

(1) "private celebration" means any
celebratory activity that is held in a private or public
venue not open to the general public and for which attendance
is subject to private invitation; and

(2) "public celebration" includes any state
or county fair, community fiesta, cultural or artistic event,
sporting competition of a seasonal nature or activities held
on an intermittent basis."

SECTION 11. Section 60-6A-10 NMSA 1978 (being Laws
1981, Chapter 39, Section 27, as amended) is amended to read:

"60-6A-10. GOVERNMENTAL LICENSE.--

A. A governmental entity may sell alcoholic
beverages directly or through its lessee at a governmental
facility if the governing body applies to the director for a
governmental license. The governmental entity and its lessee shall be subject to all state laws and regulations governing dispensers.

B. A governmental license may be leased to a qualified lessee and may only be used by the lessee for its operation during events authorized by the governmental entity at the governmental facility designated on the governmental license. The governmental entity and its lessee shall not sell alcoholic beverages for consumption off the licensed premises. On the licensed premises of a governmental facility, the sale or service of alcoholic beverages in unbroken packages is allowed. Alcoholic beverages shall not be removed from the licensed premises of a governmental facility. A server as defined in Section 60-6E-3 NMSA 1978 is not required to be present in a suite to serve alcoholic beverages to the person leasing the suite or the person's guests.

C. A governmental entity holding a governmental license shall annually and not less than sixty days prior to the date for renewal of its license submit to the director documentary proof that its lessee is fully qualified to be a lessee of a governmental license. If the director finds that the lessee is qualified to lease a governmental license, the director shall renew the license for an additional period of one year. If the director determines that the proof is
inadequate, the director shall notify the governing body of
the decision and shall conduct a hearing as provided by law.
If the director finds that the lessee does not qualify and
the governmental entity does not change its lessee, the
director shall revoke the license.

D. The provisions of Section 60-6A-18 NMSA 1978
shall not apply to governmental licenses.

E. For the purposes of this section:

(1) "governmental entity" means a
municipality, a county, a state fair that is held for less
than ten days per year, the state fair commission, a state
museum, a state university or the spaceport authority;

(2) "governmental facility" means locations
on property owned or operated by a governmental entity,
including county fairs; state fairs held for less than ten
days per year; convention centers; airports; civic centers;
food service facilities in state museums; auditoriums; all
facilities on the New Mexico state fairgrounds; facilities
used for athletic competitions; golf courses, including golf
courses required to be used for municipal purposes
notwithstanding that there may be an existing club license at
the same location operated by the same club licensee; other
facilities used for cultural or artistic performances; and
all spaceport authority facilities;

(3) "lessee" means an individual,
corporation, partnership, firm or association that fulfills
the requirements set forth in Subsections A through D of
Section 60-6B-2 NMSA 1978; and

(4) "suite" means a room or area of seating
at an event, separated from the general seating, leased to a
person for that person's exclusive use during events and at
any other time throughout the year.

F. The provisions of Section 60-6B-10 NMSA 1978,
with respect to golf courses owned by a governmental entity
and civic centers owned and operated by a governmental
entity, shall not apply to governmental licenses.

SECTION 12. Section 60-6A-11 NMSA 1978 (being Laws
1981, Chapter 39, Section 28, as amended) is amended to read:

"60-6A-11. WINEGROWER'S LICENSE.--

A. A person in this state who produces wine or

...
calculation of a winegrower's overall annual production of wine shall not include the winegrower's production of wine for out-of-state wine producer license holders.

B. A person issued a winegrower's license pursuant to this section may do any of the following:

1. manufacture or produce wine or cider, including blending, mixing, flavoring, coloring, bottling and labeling, whether the wine or cider is manufactured or produced for a winegrower or an out-of-state wine producer holding a permit issued pursuant to the Federal Alcohol Administration Act and a valid license in a state that authorizes the wine or cider producer to manufacture, produce, store or sell wine or cider;

2. store, transport, import or export wines or ciders;

3. sell wines or ciders to a holder of a New Mexico winegrower's, wine wholesaler's, wholesaler's, wine exporter's, craft distiller's or small brewer's license or to a winegrower's agent;

4. transport not more than two hundred cases of wine in a calendar year to another location within New Mexico by common carrier;

5. deal in warehouse receipts for wine or cider;

6. sell wines or ciders in other states or
foreign jurisdictions to the holders of a license issued
under the authority of that state or foreign jurisdiction
authorizing the purchase of wine or cider;

(7) buy wine or cider or distilled wine
products from other persons, including licensees and
permittees under the Liquor Control Act, for use in blending,
mixing or bottling of wines or ciders;

(8) buy or otherwise obtain beer from a
small brewer or spirituous liquor from a craft distiller for
the purposes described in this subsection;

(9) conduct wine, cider, beer or spirituous
liquor tastings and sell, by the glass or by the bottle, or
sell in unbroken packages for consumption off the premises,
but not for resale, wine or cider of the winegrower's own
production, wine or cider produced by another New Mexico
winegrower on the winegrower's premises, beer produced and
bottled by or for a small brewer pursuant to Section
60-6A-26.1 NMSA 1978 or spirituous liquor produced and
bottled by or for a craft distiller pursuant to Section
60-6A-6.1 NMSA 1978;

(10) at no more than three off-premises
locations, conduct wine, cider, beer or spirituous liquor
tastings, sell by the glass and sell in unbroken packages for
consumption off premises, but not for resale, wine or cider
of the winegrower's own production, wine or cider produced by
another New Mexico winegrower or beer produced and bottled by
or for a small brewer pursuant to Section 60-6A-26.1 NMSA
1978 or spirituous liquor produced and bottled by or for a
craft distiller pursuant to Section 60-6A-6.1 NMSA 1978 after
the director has determined that the off-premises locations
meet the requirements of the Liquor Control Act and the
department rules for new liquor license locations;

(11) be deemed a manufacturer for purposes
of the Gross Receipts and Compensating Tax Act;

(12) at public celebrations on or off the
winegrower's premises, after the winegrower has paid the
applicable fees and been issued the appropriate permit, to
conduct wine or cider tastings, sell by the glass or the
bottle, or sell in unbroken packages, for consumption off
premises, but not for resale, wine or cider produced by or
for the winegrower, beer produced and bottled by or for a
small brewer pursuant to Section 60-6A-26.1 NMSA 1978 or
spirituous liquor produced and bottled by or for a craft
distiller pursuant to Section 60-6A-6.1 NMSA 1978;

(13) at private celebrations on or off the
winegrower's premises after the winegrower has paid the
applicable fees and been issued the appropriate permit, sell:

(a) by the glass or bottle, wine or
cider produced by or for the winegrower;

(b) by the glass, beer produced by a
small brewer pursuant to Section 60-6A-26.1 NMSA 1978; or

(c) by the drink, spirituous liquors
produced and bottled by or for a craft distiller pursuant to
Section 60-6A-6.1 NMSA 1978;

(14) sell wine or cider in a growler for
consumption off premises; and

(15) in accordance with the provisions of
this section that relate to the sale of wine or cider, accept
and fulfill an order for wine or cider that is placed via an
internet website, whether the financial transaction related
to the order is administered by the licensee or the
licensee's agent.

C. At public and private celebrations on or off
the winegrower's premises in any local option district
permitting the sale of alcoholic beverages, the holder of a
winegrower's license shall pay ten dollars ($10.00) to the
alcoholic beverage control division of the regulation and
licensing department for a "winegrower's public celebration
permit" or a "winegrower's private celebration permit" to be
issued under rules adopted by the director. Upon request,
the alcoholic beverage control division of the regulation and
licensing department may issue to a holder of a winegrower's
license a public celebration permit for a location at the
public celebration that is to be shared with other
winegrowers and small brewers.
D. Every application for the issuance or annual renewal of a winegrower's license shall be on a form prescribed by the director and accompanied by a license fee to be computed as follows on the basis of total annual wine or cider produced or blended:

(1) less than five thousand gallons per year, twenty-five dollars ($25.00) per year;

(2) between five thousand and one hundred thousand gallons per year, one hundred dollars ($100) per year; and

(3) over one hundred thousand gallons per year, two hundred fifty dollars ($250) per year.

E. As used in this section:

(1) "private celebration" means any celebratory activity that is held in a private or public venue not open to the general public and for which attendance is subject to private invitation; and

(2) "public celebration" includes any state or county fair, community fiesta, cultural or artistic event, sporting competition of a seasonal nature or activities held on an intermittent basis."

SECTION 13. Section 60-6A-15 NMSA 1978 (being Laws 1981, Chapter 39, Section 32, as amended) is amended to read:

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

A. manufacturer's license as a distiller, except a brandy manufacturer, three thousand dollars ($3,000);
B. manufacturer's license as a brewer, three thousand dollars ($3,000);
C. manufacturer's license as a rectifier, one thousand fifty dollars ($1,050);
D. wholesaler's license to sell all alcoholic beverages for resale only, two thousand five hundred dollars ($2,500);
E. wholesaler's license to sell spirituous liquors and wine for resale only, one thousand seven hundred fifty dollars ($1,750);
F. wholesaler's license to sell spirituous liquors for resale only, one thousand five hundred dollars ($1,500);
G. wholesaler's license to sell beer and wine for resale only, one thousand five hundred dollars ($1,500);
H. wholesaler's license to sell beer for resale only, one thousand dollars ($1,000);
I. wholesaler's license to sell wine for resale only, seven hundred fifty dollars ($750);
J. retailer's license, one thousand three hundred dollars ($1,300);

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

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

M. restaurant A license, one thousand fifty dollars ($1,050);

N. restaurant B license, ten thousand dollars ($10,000);

O. club license, for clubs with more than two hundred fifty members, one thousand two hundred fifty dollars ($1,250), and for clubs with two hundred fifty members or fewer, two hundred fifty dollars ($250);

P. wine bottler's license to sell to wholesalers only, five hundred dollars ($500);

Q. public service license, one thousand two hundred fifty dollars ($1,250);

R. nonresident licenses, for a total billing to New Mexico wholesalers:

   (1) in excess of:

   $3,000,000 annually . . . . . . . . . . . . . . . . . . . $10,500;

   1,000,000 annually . . . . . . . . . . . . . . . . . . 5,250;

   500,000 annually . . . . . . . . . . . . . . . . . . 3,750;

   200,000 annually . . . . . . . . . . . . . . . . . . 2,700;
100,000 annually . . . . . . . . . . . . . . . . . 1,800;
and
50,000 annually . . . . . . . . . . . . . . . . . . 900;
and
(2) of $50,000 or less . . . . . . . . . . . . . . 300;

S. wine wholesaler's license, for persons with
sales of five thousand gallons of wine per year or less,
twenty-five dollars ($25.00), and for persons with sales in
excess of five thousand gallons of wine per year, one hundred
dollars ($100);

T. beer bottler's license, two hundred dollars
($200);

U. third-party alcohol delivery license, not to
exceed one thousand dollars ($1,000);

V. alcoholic beverage delivery permit, not to
exceed three hundred dollars ($300); and

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

SECTION 14. Section 60-6A-26.1 NMSA 1978 (being Laws
1985, Chapter 217, Section 5, as amended) is amended to read:
"60-6A-26.1. SMALL BREWER'S LICENSE.--

A. In a local option district, a person qualified
pursuant to the provisions of the Liquor Control Act, except
as otherwise provided in the Domestic Winery, Small Brewery
and Craft Distillery Act, may apply for and be issued a small
brewer's license.

B. A small brewer's license authorizes the person
to whom it is issued to:

(1) manufacture or produce beer;

(2) package, label and export beer, whether
manufactured, bottled or produced by the licensee or any
other person;

(3) sell only beer that is packaged by or
for the licensee to a person holding a wholesaler's license,
a small brewer's license, a craft distiller's license or a
winegrower's license;

(4) deal in warehouse receipts for beer;

(5) conduct beer, wine, cider and spirituous
liquor tastings and sell for consumption on or off premises,
but not for resale, beer produced and bottled by, or produced
and packaged for, the licensee, beer produced and bottled by
or for another New Mexico small brewer on the small brewer's
premises or wine or cider produced by a winegrower pursuant
to Section 60-6A-11 NMSA 1978 or spirituous liquor produced
and bottled by or for a craft distiller pursuant to Section
60-6A-6.1 NMSA 1978;

(6) be deemed a manufacturer for purposes of
the Gross Receipts and Compensating Tax Act;
(7) at public celebrations off the small
brewer's premises, after the small brewer has paid the
applicable fee for a small brewer's public celebration
permit, conduct tastings and sell by the glass or in unbroken
packages, but not for resale, beer produced and bottled by or
for the small brewer or wine or cider produced by a
winegrower pursuant to Section 60-6A-11 NMSA 1978 or
spiritous liquor produced and bottled by or for a craft
distiller pursuant to Section 60-6A-6.1 NMSA 1978;

(8) at private celebrations on or off the
small brewer's premises after the small brewer has paid the
applicable fees for a private celebration permit, sell by the
glass, beer produced and bottled by or for the small brewer
or wine or cider produced by a winegrower pursuant to Section
60-6A-11 NMSA 1978 or spirituous liquor produced and bottled
by or for a craft distiller pursuant to Section 60-6A-6.1
NMSA 1978;

(9) buy or otherwise obtain wine or cider
from a winegrower or spirituous liquor from a craft
distiller;

(10) for the purposes described in this
subsection, at no more than three other locations off the
small brewer's premises, after the small brewer has paid the
applicable fee for a small brewer's off-premises permit,
after the director has determined that the off-premises
locations meet the requirements of the Liquor Control Act and
department rules for new liquor license locations and after
the director has issued a small brewer's off-premises permit
for each off-premises location, conduct beer tastings and
sell by the glass or in unbroken packages for consumption off
the small brewer's off-premises location, but not for resale,
beer produced and bottled by or for the small brewer, beer
produced and bottled by or for another New Mexico small
brewer, wine or cider produced by a winegrower pursuant to
Section 60-6A-11 NMSA 1978 or spirituous liquor produced and
bottled by or for a craft distiller pursuant to Section
60-6A-6.1 NMSA 1978;
(11) allow members of the public, on the
licensed premises and under the direct supervision of the
licensee, to manufacture beer for personal consumption and
not for resale using the licensee's equipment and
ingredients; and
(12) sell beer in a growler for consumption
off premises.
C. Renewal of a small brewer's license shall be
conditioned upon submission to the department by the licensee
of a report showing proof that:
(1) no less than fifty percent of the gross
receipts from the sale of beer for the preceding twelve
months of the licensee's operation are derived from the sale
of beer produced by the licensee; or

(2) the licensee manufactures no less than fifty barrels of beer per license year at the licensee's premises.

D. At public and private celebrations on or off the small brewer's premises in a local option district permitting the sale of alcoholic beverages, the holder of a small brewer's license shall pay ten dollars ($10.00) to the alcoholic beverage control division of the regulation and licensing department for a "small brewer's public celebration permit" or a "small brewer's private celebration permit" to be issued under rules adopted by the director. Upon request, the alcoholic beverage control division of the regulation and licensing department may issue to a holder of a small brewer's license a public celebration permit for a location at the public celebration that is to be shared with other small brewers and winegrowers.

E. As used in this section:

(1) "private celebration" means any celebratory activity that is held in a private or public venue not open to the general public and for which attendance is subject to private invitation; and

(2) "public celebration" includes any state or county fair, community fiesta, cultural or artistic event, sporting competition of a seasonal nature or activities held.
on an intermittent basis."

SECTION 15. Section 60-6A-32 NMSA 1978 (being Laws 1998, Chapter 109, Section 7) is amended to read:

"60-6A-32. INTERSTATE WINE TASTINGS--COMPETITIONS--
PERMITS.--

A. Exempt from the procurement of any other license or permit issued pursuant to the terms of the Liquor Control Act, but not exempt from the procurement of a competition permit, is a winemaker or winery licensed outside of New Mexico that desires to participate in a regional wine, cider, beer or spirituous liquor tasting or competition within New Mexico. One permit shall be issued by the director to an out-of-state winemaker or winery for the duration of the wine tasting or competition.

B. A person issued a competition permit pursuant to this section may do any of the following:

(1) bring no more than twenty-five cases of wine into New Mexico after indicating on the permit application the number of cases to be brought into the state;

(2) participate in the regional competition and wine tastings associated with the competition for which the competition permit is issued;

(3) participate in the regional wine tasting for which the competition permit is issued; and

(4) at a wine tasting for which the person
is issued the permit, conduct tasting of wine and sell by the
glass or bottle or in unbroken packages for consumption off
the wine-tasting premises but not for resale, wine brought
into the state by the person for the wine tasting or
competition.

C. Every application for the issuance of a
competition permit shall be on a form prescribed by the
director and accompanied by a permit fee of twenty-five
dollars ($25.00).

D. As used in this section:

(1) "competition" means an event at which a
jury of wine tasters compares the quality of the wines
entered for judging and at which prizes are offered for the
wines judged to be of the best quality;

(2) "regional competition" means a
competition at which the wines to be judged are from more
than one state or country;

(3) "regional wine tasting" means a wine
tasting at which the wines offered for tasting are from more
than one state or country;

(4) "winemaker" means a person who
manufactures or produces wine;

(5) "winery" means an establishment at which
wine is manufactured or produced and that is licensed for
that purpose by the state or country in which it is located;
and

(6) "wine tasting" means an event at which
wines are offered for tasting but not necessarily for sale
and not for comparison for the purpose of awarding prizes to
the wines of the best quality."

SECTION 16. Section 60-6B-12 NMSA 1978 (being Laws
1981, Chapter 39, Section 113, as amended) is amended to
read:

"60-6B-12. INTER-LOCAL OPTION DISTRICT AND INTER-COUNTY
TRANSFERS.--

A. Dispenser's and retailer's licenses originally
issued before July 1, 1981, except rural dispenser's and
rural retailer's licenses that were replaced by dispenser's
licenses pursuant to Section 60-6B-16 NMSA 1978, and except
canopy licenses replaced by dispenser's licenses pursuant to
Section 60-6B-16 NMSA 1978 before calendar year 2017 or after
calendar year 2020, may be transferred to any location within
the state, except class B counties having a population of
between fifty-six thousand and fifty-seven thousand according
to the 1980 federal decennial census, the municipalities
located within those class B counties and any municipality or
county that prohibits by election the transfer of a license
from another local option district, without regard to the
limitations on the maximum number of licenses provided in
Section 60-6A-18 NMSA 1978, not otherwise contrary to law,"
subject to the approval of transferring locations of those 
liquor licenses by the governing body for that location; 
provided that the requirements of the Liquor Control Act and 
department regulations for the transfer of licenses are 
fulfilled; and provided further that:

(1) beginning in calendar year 1997, no more 
than ten dispenser's or retailer's licenses shall be 
transferred to any local option district in any calendar 
year; and

(2) the dispenser's or retailer's licenses 
transferred under this section shall count in the computation 
of the limitation of the maximum number of licenses that may 
be issued in the future in any local option district as 
provided in Section 60-6A-18 NMSA 1978 for the purpose of 
determining whether additional licenses may be issued in the 
local option district under the provisions of Subsection H of 
Section 60-6B-2 NMSA 1978.

B. Transfer of location of a liquor license 
pursuant to Subsection A of this section shall become 
effective upon approval of the local governing body, unless 
within one hundred twenty days after the effective date of 
the Liquor Control Act a petition requesting an election on 
the question of approval of statewide transfers of liquor 
licenses into that local option district is filed with the 
clerk of the local option district and the petition is signed
by at least five percent of the number of registered voters of the district. The clerk of the district shall verify the petition signatures. If the petition is verified as containing the required number of signatures of registered voters, the governing body shall adopt a resolution calling an election on the question of approving or disapproving statewide transfers of liquor licenses into that district. Notice of such election shall be published as provided in the Local Election Act, and the election shall be held within sixty days after the date the petition is verified or it may be held in conjunction with a regular election of the governing body if such election occurs within sixty days after the date of verification. If a majority of the registered voters of the district voting in such election votes to approve statewide transfers of liquor licenses into the local option district, each license proposing to be transferred shall be subject to the approval of the governing body. If the voters of the district voting in the election vote against the approval, then all statewide transfers of liquor licenses pursuant to Subsection A of this section shall be prohibited in that district, unless a petition is filed requesting the question be again submitted to the voters as provided in this subsection. The question of approving or disapproving statewide transfers of liquor licenses into the local option district shall not be
submitted again within two years from the date of the last election on the question.

C. Any dispenser's license transferred pursuant to this section outside its local option district shall only entitle the licensee to sell, serve or permit the consumption of alcoholic beverages by the drink on the licensed premises. This subsection shall not apply to any license transferred out of a class B county having a population of between fifty-six thousand and fifty-seven thousand according to the 1980 federal decennial census.

D. Rural dispenser's, rural retailer's and rural club licenses issued under any former act may be transferred to any location, subject to the restrictions as to location contained in the Liquor Control Act, within the unincorporated area of the county in which they are currently located; provided that they shall not be transferred to any location within ten miles of another licensed premises; and provided further that all requirements of the Liquor Control Act and department regulations for the transfer of licenses are fulfilled."

SECTION 17. Section 60-6C-1 NMSA 1978 (being Laws 1981, Chapter 39, Section 97, as amended) is amended to read:

"60-6C-1. GROUNDS FOR SUSPENSION, REVOCATION OR ADMINISTRATIVE FINE--REPORTING REQUIREMENT.--

A. The director may suspend or revoke the license
or permit or fine the licensee in an amount not more than ten thousand dollars ($10,000), or both, when the director finds that a licensee has:

(1) violated any provision of the Liquor Control Act or any rule or order promulgated pursuant to that act;

(2) been convicted of a felony pursuant to the provisions of the Criminal Code, the Liquor Control Act or federal law; or

(3) permitted the licensee's licensed premises to remain a public nuisance in the neighborhood where it is located after written notice from the director that investigation by the department has revealed that the establishment is a public nuisance in the neighborhood.

B. The director shall suspend or revoke the license or permit and may fine the licensee in an amount not to exceed ten thousand dollars ($10,000), or both, when the director finds that any licensee or:

(1) the licensee's employee or agent knowingly has sold, served, delivered or given an alcoholic beverage to a minor in violation of Section 60-7B-1 NMSA 1978 or to an intoxicated person in violation of Section 60-7A-16 NMSA 1978, on two separate occasions within any twelve-month period; or

(2) the licensee's agent has made any
material false statement or concealed any material facts in
the licensee's application for the license or permit granted
the licensee pursuant to the provisions of the Liquor Control
Act.

C. A licensee aggrieved by a revocation, suspension or fine proposed to be imposed by the director pursuant to this section shall be entitled to the hearing procedures set forth in Chapter 60, Article 6C NMSA 1978 before the revocation, suspension or fine shall be effective.

D. A charge filed against a licensee by the department and the resulting disposition of the charge shall be reported to the department of public safety.

E. For purposes of this section, "licensee" includes any person issued an alcoholic beverage delivery permit.

SECTION 18. Section 60-6C-2 NMSA 1978 (being Laws 1981, Chapter 39, Section 98, as amended) is amended to read:

"60-6C-2. HEARINGS--LOCATION--OPEN TO PUBLIC--HEARING OFFICER.--All hearings held pursuant to the provisions of the Liquor Control Act shall be conducted by the director or a hearing officer appointed by the director and shall be held in the county in which the licensed premises or the business of the person issued an alcoholic beverage delivery permit that is the subject matter of the hearing is located. All such hearings shall be open to the public."
SECTION 19. Section 60-6C-4 NMSA 1978 (being Laws 1981, Chapter 39, Section 100, as amended) is amended to read:

"60-6C-4. ADMINISTRATIVE PROCEEDINGS--COMPLAINTS--INVESTIGATION--ORDER TO SHOW CAUSE--SERVICE--HEARINGS.--

A. Whenever a person lodges a signed, written complaint with the department alleging that a licensee has violated any of the provisions of the Liquor Control Act, unless the complaint is deficient on its face, the director shall request that the department of public safety investigate the complaint.

B. The department of public safety shall investigate the complaint and make a written report to the director.

C. If the director believes from the report that probable cause exists for filing charges against the licensee for the revocation or suspension of the licensee's license or permit or for fining the licensee, or for both, the director or the director's designee shall file in the department a charge against the licensee in the name of the state, stating the nature of the grounds relied upon for the filing, the approximate date of the alleged violation and the names and addresses of the witnesses who are expected to give testimony or evidence against the licensee.

D. After charges have been filed, the director shall issue a signed order for the licensee to appear at a
hearing to explain, on the basis of any ground set out in the charge, why the license or permit should not be revoked or suspended or why the licensee should not be fined, or both.

E. The director shall keep the original of the charge and the order to show cause on file in the director's office.

F. The director shall appoint a hearing officer no later than ten days prior to the date set for the hearing at which the licensee shall appear to explain why the licensee's license or permit should not be revoked or suspended or why the licensee should not be fined, or both.

G. The director shall have a copy of the charge and a copy of the order to show cause sent to the licensee or the licensee's resident agent at the agent's last known address by certified mail at least fourteen days before the date set for the hearing on the order to show cause.

H. At a hearing on an order to show cause, the director shall cause a record of hearing to be made, which shall record:

    (1) the style of the proceedings;

    (2) the nature of the proceedings, including a copy of the charge and a copy of the order to show cause;

    (3) the place, date and time of the hearing and all continuances or recesses of the hearing;

    (4) the appearance or nonappearance of the
licensee;

(5) if the licensee appears with an attorney, the name and address of the attorney;

(6) a record of all evidence and testimony and a copy or record of all exhibits introduced in evidence;

(7) the findings of fact and law as to whether the licensee has violated the Liquor Control Act as set out in the charge; and

(8) the decision of the director.

I. If the licensee fails to appear without good cause at the time and place designated in the order to show cause for the hearing, the director shall order the nonappearance of the licensee to be entered in the record of hearing and shall order the license or permit revoked or suspended or the licensee fined, or both, on all the grounds alleged in the charge and shall cause the record of hearing to show the particulars in detail. In such a case, there shall be no reopening, appeal or review of the proceedings unless pursued by a co-owner of a license who did not receive notice of the hearing.

J. If the licensee admits guilt on all grounds set out in the charge, the director shall order the revocation or suspension of the license or permit or the licensee fined, or both, and cause a record of hearing to be made showing the facts and particulars of the director's
order of revocation or suspension of the license or permit or fine of the licensee, or both. In such a case, there shall be no review or appeal of the proceedings.

K. If the licensee appears at the hearing and does not testify or denies guilt of any of the grounds set out in the charge, the hearing shall proceed as follows:

(1) the director or the hearing officer shall administer oaths to all witnesses, the department shall cause all testimony and evidence in support of the grounds alleged in the charge to be presented in the presence of the licensee and the director shall allow the licensee or the licensee's attorney to cross-examine all witnesses;

(2) the licensee shall be allowed to present testimony and evidence the licensee may have in denial or in mitigation of the grounds set out in the charge;

(3) the department shall have the right to cross-examine the licensee or any witness testifying in the licensee's favor;

(4) the department shall present any evidence or testimony in rebuttal of that produced by the licensee;

(5) the director or the hearing officer shall make a finding on each ground alleged and a finding of the guilt or innocence of the licensee on each ground;

(6) if the licensee is found guilty on any
ground alleged and proved, the director shall make an order
of revocation or suspension of the license or permit or fine
of the licensee, or both; and

(7) the rules of evidence shall not be
required to be observed, but the order of suspension or
revocation or fine, or both, shall be based upon substantial,
competent and relevant evidence and testimony appearing in
the record of hearing.

L. No admission of guilt, admission against
interest or transcript of testimony made or given in a
hearing pursuant to this section shall be received or used in
criminal proceedings wherein the licensee is a defendant;
provided, however, if the licensee commits perjury in a
hearing, the evidence shall be admissible in a perjury trial
if otherwise competent and relevant.

M. The director shall adopt reasonable rules
setting forth uniform standards of penalties concerning fines
and suspensions imposed by the director.

N. For purposes of this section, "licensee"
includes a person issued an alcoholic beverage delivery
permit."

SECTION 20. Section 60-6C-6 NMSA 1978 (being Laws 1981,
Chapter 39, Section 102, as amended by Laws 1999, Chapter
265, Section 75 and by Laws 1999, Chapter 277, Section 1) is
amended to read:
60-6C-6. APPEAL.--

A. A licensee aggrieved or adversely affected by an order of revocation, suspension or fine shall have the right to appeal to the district court pursuant to the provisions of Section 39-3-1.1 NMSA 1978.

B. No appeal shall have the effect of suspending the operation of the order of suspension, revocation or fine, but the liquor control hearing officer may, for good cause shown and upon such terms and conditions as the officer may find are just, in the officer's discretion suspend the operation of the order of suspension, revocation or fine pending the appeal. The court shall tax costs against the losing party.

C. For purposes of this section, "licensee" includes a person issued an alcoholic beverage delivery permit and includes a person issued a server permit pursuant to the Alcohol Server Education Article of the Liquor Control Act."

SECTION 21. Section 60-6E-3 NMSA 1978 (being Laws 1999, Chapter 277, Section 4) is amended to read:

"60-6E-3. DEFINITIONS.--As used in the Alcohol Server Education Article of the Liquor Control Act:

A. "director" means the director of the division;

B. "division" means the alcoholic beverage control division of the regulation and licensing department;
C. "licensee" means a person issued a license pursuant to the provisions of the Liquor Control Act to sell, serve or dispense alcoholic beverages for consumption and not for resale;

D. "program" means an alcohol server education course and examination approved by the director to be administered by providers;

E. "provider" means an individual, partnership, corporation, public or private school or any other legal entity certified by the director to provide a program;

F. "server" means an individual who sells, serves, or dispenses alcoholic beverages for consumption on or off licensed premises, including persons who manage, direct or control the sale or service of alcohol and when the context requires, includes a person who delivers alcoholic beverages. "Server" does not include officers of a corporate licensee or lessee who do not manage, direct or control the sale, delivery or service of alcohol; and

G. "server permit" means an authorization issued by the director for a person to be employed or engaged to sell, serve or dispense alcoholic beverages."

SECTION 22. Section 60-6E-8 NMSA 1978 (being Laws 1999, Chapter 277, Section 9) is amended to read:

"60-6E-8. SERVER PERMIT--SUSPENSION--REVOCATION--ADMINISTRATIVE FINES--PENALTIES.--The following penalties are
in addition to any other penalties available for sales to
minors or intoxicated persons in violation of the provisions
of the Liquor Control Act or rules of the division:

A. the director may suspend a server's server
permit for a period of thirty days or fine the server in an
amount not to exceed five hundred dollars ($500), or both,
when the director finds that the server is guilty of a first
offense of selling, serving, delivering or dispensing an
alcoholic beverage to an intoxicated person in violation of
Section 60-7A-16 NMSA 1978 or to a minor in violation of
Section 60-7B-1 NMSA 1978;

B. the director shall suspend a server's server
permit for a period of one year when the director finds that
the server is guilty of a second offense of selling, serving,
delivering or dispensing alcoholic beverages to intoxicated
persons in violation of Section 60-7A-16 NMSA 1978 or to
minors in violation of Section 60-7B-1 NMSA 1978 arising
separately from the incident giving rise to the server's
first offense;

C. the director shall permanently revoke a
server's server permit when the director finds that the
server is guilty of a third offense of selling, serving,
delivering or dispensing alcoholic beverages to intoxicated
persons in violation of Section 60-7A-16 NMSA 1978 or to
minors in violation of Section 60-7B-1 NMSA 1978 arising
separately from the incidents giving rise to the server's first and second offenses;

D. no person whose server permit is suspended or revoked pursuant to the provisions of this section may be a server of alcoholic beverages on a licensed premises or deliver alcoholic beverages during the period of suspension or revocation;

E. no person whose server permit is suspended may serve or deliver alcoholic beverages on or after the date of suspension unless the person obtains a new server permit in accordance with the provisions of the Alcohol Server Education Article of the Liquor Control Act; and

F. nothing in the Alcohol Server Education Article of the Liquor Control Act shall be interpreted to waive a permit holder's or license holder's liability that may arise pursuant to the provisions of the Liquor Control Act."

SECTION 23. Section 60-6E-9 NMSA 1978 (being Laws 1999, Chapter 277, Section 10) is amended to read:

"60-6E-9. ALCOHOL SERVER EDUCATION--REQUIRED FOR LICENSE RENEWAL.--A licensee seeking renewal of a license shall submit to the division, as a condition of license renewal, proof that the licensee, the lessee, if any, and each server employed by the licensee or lessee during the prior licensing year have or had valid server permits at all
times that alcoholic beverages were sold, served, delivered or dispensed."

SECTION 24. Section 60-6E-10 NMSA 1978 (being Laws 1999, Chapter 277, Section 11) is amended to read:

"60-6E-10. ADMINISTRATIVE PROCEEDINGS--HEARINGS.--

A. Hearings for the suspension or revocation of any server's server permit or delivery permit or for imposing a fine on the server, or both, shall be conducted in accordance with the provisions of Sections 60-6C-2 through 60-6C-6 NMSA 1978.

B. The director may suspend or revoke a server permit or delivery permit or impose a fine on a server, or impose a combination of those penalties, only if the server violates the provisions of Section 60-7A-16 or 60-7B-1 NMSA 1978."

SECTION 25. Section 60-7A-1 NMSA 1978 (being Laws 1981, Chapter 39, Section 47, as amended) is amended to read:

"60-7A-1. HOURS AND DAYS OF BUSINESS.--

A. Provided that nothing in this section shall prohibit the consumption at any time of alcoholic beverages in guest rooms of hotels, alcoholic beverages shall be sold, served and consumed on licensed premises only from 7:00 a.m. until 2:00 a.m. on the following day.

B. Except as provided in Subsection C of this section, alcoholic beverages may be sold by a dispenser or a
C. The governing body of a local option district that is a class B county with a population greater than seventy thousand and less than seventy-six thousand according to the most recent federal decennial census or that is a municipality located within a class B county with a population greater than seventy thousand and less than seventy-six thousand according to the most recent federal decennial census may pass an ordinance to place restrictions, in addition to those provided in this section, on the hours during which a dispenser or retailer may sell alcoholic beverages in unbroken packages for consumption off the licensed premises and not for resale. The ordinance may restrict sales between 7:00 a.m. and 10:00 a.m. and shall provide the hours between 7:00 a.m. and 10:00 a.m., if any, during which a dispenser or retailer may sell alcoholic beverages in unbroken packages for consumption off the licensed premises and not for resale."

SECTION 26. Section 60-7A-4 NMSA 1978 (being Laws 1981, Chapter 39, Section 50, as amended) is amended to read:

"60-7A-4. SALE, SHIPMENT AND DELIVERY UNLAWFUL.--

A. It is unlawful for a person on the person's own behalf or as the agent of another person, except a
licensed New Mexico wholesaler or manufacturer or the agent of either, to directly or indirectly sell or offer for sale for shipment into the state or ship into the state, except as provided in Section 60-7A-3 NMSA 1978, alcoholic beverages unless the person or the person's principals have secured a nonresident license as provided in Section 60-6A-7 NMSA 1978.

B. It is a violation of the Liquor Control Act to deliver any alcoholic beverages transported into the state unless the delivery is made in accordance with Section 60-7A-3 NMSA 1978 or Section 4 of this 2021 act.

C. As used in this section, "into the state" means into the exterior boundaries of the state."

SECTION 27. Section 60-7A-12 NMSA 1978 (being Laws 1981, Chapter 39, Section 78, as amended) is amended to read:

"60-7A-12. OFFENSES BY DISPENSERS, CANOPY LICENSEES, RESTAURANT LICENSEES, GOVERNMENTAL LICENSEES OR THEIR LESSEES AND CLUBS.—It is a violation of the Liquor Control Act for any dispenser, canopy licensee, restaurant licensee, governmental licensee or its lessee or club to:

A. receive any alcoholic beverages for the purpose or with the intent of reselling the alcoholic beverages from any person unless the person is duly licensed to sell alcoholic beverages to dispensers for resale;

B. sell; possess for the purpose of sale; or bottle bulk wine for sale other than by the drink for
immediate consumption on its licensed premises;

C. directly, indirectly or through subterfuge, own, operate or control any interest in a wholesale liquor establishment or liquor manufacturing or wine bottling firm; provided that this section shall not prevent:

(1) a dispenser from owning an interest in a legal entity, directly or indirectly or through an affiliate, that wholesales alcoholic beverages and that operates or controls an interest in an establishment operating pursuant to the provisions of Subsection B of Section 60-7A-10 NMSA 1978; or

(2) a small brewer or winegrower licensed pursuant to the Domestic Winery, Small Brewery and Craft Distillery Act from holding an interest in a legal entity, directly or indirectly or through an affiliate, that holds a restaurant or a dispenser's license and a small brewer and winegrower limited wholesaler's license issued pursuant to the Liquor Control Act;

D. sell or possess for the purpose of sale any alcoholic beverages at any location or place except its licensed premises or the location permitted pursuant to the provisions of Section 60-6A-12 NMSA 1978;

E. employ or engage a person to sell, serve or dispense alcoholic beverages if the person has not received alcohol server training within thirty days of employment; or
F. employ or engage a person to sell, serve, deliver or dispense alcoholic beverages during a period when the server permit of that person is suspended or revoked."

SECTION 28. Section 60-7A-13 NMSA 1978 (being Laws 1981, Chapter 39, Section 79, as amended) is amended to read:

"60-7A-13. SALES BY CLUBS.--

A. Any club licensed pursuant to the provisions of the Liquor Control Act shall only have the right to sell alcoholic beverages by the drink and wine by the bottle for consumption on the premises.

B. Except as otherwise provided in this section, it is unlawful and grounds for suspension or revocation of its license for a club to:

(1) solicit by advertising or any other means public patronage of its alcoholic beverage facilities. In the event the club solicits public patronage of its other facilities, alcoholic beverages shall not be sold, served or consumed on the premises while the other facilities are being used by or operated for the benefit of the general public, unless the alcoholic beverage facilities are separate from the other facilities and the general public is not permitted to enter any part of the facilities where alcoholic beverages are being sold, served or consumed; or

(2) serve, sell or permit the consumption of alcoholic beverages to persons other than members and their
bona fide guests.

C. A club licensed pursuant to the provisions of the Liquor Control Act may allow its facilities, including its licensed premises, to be used, for activities other than its own, no more than four times in a calendar year for fundraising events held by other nonprofit organizations.

D. For the purposes of this section:

   (1) "bona fide guest" means a person whose presence in the club is in response to a specific invitation by a member and for whom the member assumes responsibility; and

   (2) "member" includes the adult spouse and the children of a member who pays membership dues or of a deceased member who paid membership dues or a member of an official auxiliary or subsidiary group of the club who has been issued a personal identification card in accordance with the rules and regulations of the club."

SECTION 29. Section 60-7A-16 NMSA 1978 (being Laws 1981, Chapter 39, Section 93, as amended) is amended to read:

"60-7A-16. SALE TO INTOXICATED PERSONS.--It is a violation of the Liquor Control Act for a person to sell, deliver or serve alcoholic beverages to or to procure or aid in the procurement of alcoholic beverages for an intoxicated person if the person selling, delivering, serving, procuring or aiding in procurement knows or has reason to know that the
person is selling, delivering, serving, procuring or aiding
in procurement of alcoholic beverages for a person who is
intoxicated."

SECTION 30. Section 60-7B-2 NMSA 1978 (being Laws 1981,
Chapter 39, Section 82, as amended) is amended to read:

"60-7B-2. DOCUMENTARY EVIDENCE OF AGE AND IDENTITY.--

A. Evidence of the age and identity of the person
may be shown by any document that contains a picture of the
person issued by a federal, state, county or municipal
government, or subdivision or agency thereof, including but
not limited to a motor vehicle operator's license or an
identification card issued to a member of the armed forces.

B. An identity document is valid for the purposes
of the Liquor Control Act even if it has expired.

C. Except for deliveries of alcoholic beverages
pursuant to Section 4 of this 2021 act, it is unnecessary to
ask for an identity document if the person clearly looks
older than thirty-five years of age."

SECTION 31. Section 60-7B-5 NMSA 1978 (being Laws 1981,
Chapter 39, Section 85, as amended) is amended to read:

"60-7B-5. REFUSAL TO SELL, SERVE OR DELIVER ALCOHOLIC
BEVERAGES TO PERSON UNABLE TO PRODUCE IDENTITY CARD.--

A. A person licensed pursuant to the provisions
of the Liquor Control Act or any employee, agent or lessee of
that person may refuse to deliver, sell or serve alcoholic
beverages to any person who is unable to produce an identity card as evidence that the person is twenty-one years of age or over.

B. An identity document is valid for the purposes of the Liquor Control Act even if it has expired.

C. Except for deliveries of alcoholic beverages pursuant to Section 4 of this 2021 act, it is unnecessary to ask for an identity document if the person clearly looks older than thirty-five years of age."

SECTION 32. Section 60-7B-6 NMSA 1978 (being Laws 1981, Chapter 39, Section 86, as amended) is amended to read:

"60-7B-6. DEMANDING AND SEEING IDENTITY CARD BEFORE FURNISHING ALCOHOLIC BEVERAGES.—In any criminal prosecution or in any proceedings for the suspension or revocation of a license or alcoholic beverage delivery permit or in any proceeding for violation of a municipal or county ordinance prohibiting the gift, sale or service of alcoholic beverages to minors, proof that the accused licensee or alcoholic beverage delivery permittee in good faith demanded and was shown an identity card as evidence the person is twenty-one years of age or older before furnishing any alcoholic beverages to a minor shall be a defense to the prosecution or proceedings."

SECTION 33. Section 60-7B-11 NMSA 1978 (being Laws 1981, Chapter 39, Section 91, as amended) is amended to read:
"60-7B-11. EMPLOYMENT OF MINORS.--

A. Except as provided in Subsection B or C of this section, it is a violation of the Liquor Control Act for any person licensed pursuant to the provisions of the Liquor Control Act or for any employee, agent or lessee of that person knowingly to employ or use the service of any minor in the sale and service of alcoholic beverages.

B. A person holding a dispenser's, restaurant or club license may employ persons eighteen years of age or older to sell or serve alcoholic beverages in an establishment that is held out to the public as a place where meals are prepared and served and the primary source of revenue is food, and where the sale or consumption of alcoholic beverages is not the primary activity, except that a person under twenty-one years of age shall not be employed as a bartender or deliverer.

C. A person holding a wholesaler's license may employ persons eighteen years of age or older who are licensed pursuant to the New Mexico Commercial Driver's License Act to engage in activities customary to warehouse operations and to handle and deliver alcoholic beverages to licensees holding a dispenser's, retailer's, restaurant, club, small brewer, winegrower, craft distiller, manufacturer's, rectifier or any other license that allows for the purchase and delivery of alcoholic beverages by a
licensed wholesaler, as long as the minor delivers sealed, unbroken packages, including containers such as bottles, cans and kegs. A person under the age of twenty-one shall not be allowed to sample alcoholic beverages to accounts."

SECTION 34. Section 60-6B-10 NMSA 1978 (being Laws 1981, Chapter 39, Section 45, as amended) is amended to read:

"60-6B-10. LOCATIONS NEAR CHURCH OR SCHOOL--

REstrictions on Licensing.--No license shall be issued by the director for the sale of alcoholic beverages at a licensed premises where alcoholic beverages were not sold prior to July 1, 1981 that is within three hundred feet of a church or school. A license may be granted for a proposed licensed premises if the owner or lessee has, prior to establishment of a church or school located within three hundred feet of the proposed licensed premises, applied for, been granted and maintained a valid building permit for the construction or renovation of the proposed licensed premises and has filed on a form prescribed by the director a notice of intention to apply for transfer of a license to the proposed licensed premises. A license may be granted for a proposed licensed premises if a person has obtained a waiver from a local option district governing body for the proposed licensed premises. A license may be granted for a proposed licensed premises if a person has obtained a restaurant A license or a restaurant B license pursuant to Section 60-6A-4 NMSA 1978.
For the purposes of this section, all measurements taken in order to determine the location of licensed premises in relation to churches or schools shall be the straight line distance from the property line of the licensed premises to the property line of the church or school. This provision shall not apply to a church that has been designated as a historical site by the cultural properties review committee and that does not have a regular congregation."

SECTION 35. STUDY EFFECTS OF DELIVERY OF ALCOHOL.--Five years after the enactment of the law, the department of health shall conduct a study of impacts of the delivery of alcohol, evaluating consumption trends and public safety impacts of the delivery of alcohol.

SECTION 36. REPEAL.--Sections 60-6A-25, 60-6B-1.1, 60-6B-11, 60-6B-15, 60-6E-6, 60-7A-2 and 60-7A-18 NMSA 1978 (being Laws 1983, Chapter 280, Section 6, Laws 1989, Chapter 292, Section 2, Laws 1981, Chapter 39, Section 46, Laws 1988, Chapter 12, Section 3, Laws 1999, Chapter 277, Section 7 and Laws 1981, Chapter 39, Sections 48 and 95, as amended) are repealed.

SECTION 37. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2021.