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HOUSE MEMORIAL 119

53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017

INTRODUCED BY

Rick Little

A MEMORIAL

REQUESTING THE LEGISLATIVE INTERIM COMMITTEE DEALING WITH
ECONOMIC AND RURAL DEVELOPMENT ISSUES TO STUDY THE DISTRIBUTION
AND AVAILABILITY OF LIQUOR LICENSES AND PROPOSE LEGISLATION TO
MAKE IT MORE EQUITABLE.

WHEREAS, there are at least nineteen different liquor
licenses in New Mexico that authorize the sale of different
alcoholic beverages in different circumstances, including,
among others, craft distillers, winegrowers, small brewers and
brandy manufacturers; and

WHEREAS, only dispenser's licenses allow the sale and
service of beer, wine and spirits by the drink in any approved
setting; and

WHEREAS, only retailer's and some dispenser's licenses
allow the sale of beer, wine and spirits in unbroken packages,

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1 although craft distillers, winegrowers and small brewers are
2 authorized to sell unbroken packages of products that are
3 produced in New Mexico; and

4 WHEREAS, retailer's and dispenser's licenses are limited
5 based on population and location; and

6 WHEREAS, one thousand four hundred eleven dispenser's and
7 retailer's licenses have been issued based on population and
8 location; and

9 WHEREAS, New Mexico's population has declined and shifted
10 such that the number and location of licenses no longer align
11 with the limitations, and more licenses exist now than are
12 authorized by statute, notwithstanding that the excess licenses
13 are specifically permitted by the same statute; and

14 WHEREAS, an unintended consequence of the limitations on
15 retailer's and dispenser's licenses is that a lucrative private
16 market has developed for the transfer of the licenses between
17 holders, and the average "sale" price of a dispenser's license
18 is now over three hundred thousand dollars (\$300,000), which
19 represents a substantial asset to the holder; and

20 WHEREAS, more than one thousand licenses other than
21 dispenser's and retailer's licenses currently exist; and

22 WHEREAS, while restaurant (beer and wine) licenses are
23 unlimited and non-transferable, a restaurant cannot serve mixed
24 drinks made with spirits without a dispenser's license; and

25 WHEREAS, the private market cost of obtaining a

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1 dispenser's license is prohibitive for most small business
2 owners; and

3 WHEREAS, there are now communities in the state in which
4 no dispenser's or retailer's licenses are located; and

5 WHEREAS, the lack of availability and distribution of
6 retailer's and dispenser's licenses has become a detriment to
7 the vibrancy of struggling rural communities;

8 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
9 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the legislative
10 interim committee dealing with economic and rural development
11 issues be requested to study the availability and distribution
12 of liquor licenses and develop proposed legislation for
13 introduction in the next legislative session to remedy
14 discrepancies and inequities found by the study; and

15 BE IT FURTHER RESOLVED that copies of this memorial be
16 transmitted to the co-chairs of the New Mexico legislative
17 council and the directors of the legislative council service
18 and the legislative finance committee.