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FISCAL IMPACT REPORT

ORIGINAL DATE 2/22/07

SPONSOR Trujillo LAST UPDATED 3/7/07 HB 1046/aHBIC/aHJC/aHFL

Relating to Business Licenses; Changing

SHORT TITLE Licensing SB _____

ANALYST C. Sanchez

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY07	FY08	FY09		
	Indeterminable	Indeterminable	Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

Duplicates, SB 811

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

Department of Public Safety (DPS)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of HFL Amendment

The House Floor amendment on page 2, line 11, after “resident” inserts “who is not a felon, who has power of attorney and authority to bind the applicant to matters related to liquor sales and operations and”.

The amendment specifies who can serve as a notice for the applicant seeking a liquor license.

Synopsis of HJC Amendment

The House Judiciary Committee amendment removes language that changed the expiration date for certain licenses. The amendment also reduces the nonrefundable application fee from \$300 hundred back to \$200 hundred. Finally, the amendment strikes language describing a director’s designee as one who the director deems trustworthy and reliable.

Synopsis of HBIC Amendment

The House Business and Industry amendment strikes the language that changed the date for expiration and renewal of Dispenser, Canopy and retailer licenses from June 30 of each year to October 31 of each year.

Synopsis of Original Bill

House Bill 1046 amends sections of the Liquor Control Act. One change will increase the application filing fee. Another change will eliminate the designation of a Resident Agent and will replace that requirement with the submission of the name and address of a New Mexico resident designated to accept service of process. The bill details reporting requirements for certain types of legal entities, namely, limited liability companies and trusts. HB 1046 also contains language that would exempt officers, directors and shareholders of publicly traded companies as well as those officers and directors of corporations who do not participate in the operation of the liquor license and those individuals who have been previously fingerprinted and who had no prior arrest record from the fingerprint requirements currently in place. HB 1046 would also change the posting requirements and would allow the director to prescribe the method by which postings would be accomplished. HB 1046 would also amend the reporting requirements so that a reportable transfer of ownership will not occur when ultimate ownership of the corporation or limited partnership does not change. Additionally, HB 1046 would change the date for expiration and renewal of Dispenser, Canopy and retailer licenses from June 30 of each year to October 31 of each year.

FISCAL IMPLICATIONS

Increases the application filing fee from \$200 to \$300. This increases revenue to the general fund. Changes to the renewal date of liquor licenses would affect the General fund, in that revenues for license renewals would come in at a later date.

ADMINISTRATIVE IMPLICATIONS

The changes to the renewal date would have significant impact to the Alcohol and Gaming Division in staffing and to the industry. The change would alter the processing timetables which industry is used to and may result in late submission of renewal applications. The staff of AGD would then be processing applications for renewal for a longer period of time, which would impact the processing of other types of applications.

DUPLICATES,

SB 811

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo

CS/nt