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FISCAL IMPACT REPORT

ORIGINAL DATE 02/13/13

SPONSOR McCamley LAST UPDATED _____ HB 386

SHORT TITLE Eliminate Certain Liquor Sales Restrictions SB _____

ANALYST Chavez

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY13	FY14	FY15		
	(\$17.0)	(\$17.0)	Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

Relates to SB 154, Hours of Sunday Alcohol Sales

SOURCES OF INFORMATION

LFC Files

Responses Received From

Attorney General's Office (AGO)
 Regulation and Licensing Department (RLD)
 Department of Health (DOH)
 Department of Public Safety (DPS)

SUMMARY

Synopsis of Bill

House Bill 386 (HB 386) amends various sections of the Liquor Control Act to remove the Sunday and Christmas Day restriction within the Liquor Control Act and to authorize the sale, service and consumption of liquor from 7:00 am each day until 2:00 am the following day. A restaurant licensee may be serve alcoholic beverages each day until the cessation of meal service or until 11:00 pm, whichever is earlier.

FISCAL IMPLICATIONS

The RLD points out each request for a Sunday sales permit carries a \$100 fee. This proposal would result in an estimated loss of revenue to the State of approximately \$170,000.

SIGNIFICANT ISSUES

The RLD notes currently, each local option district has the ability to hold an election to allow voters to determine whether or not to allow Sunday sales, both for package sales and for on-premise consumption, in their city or county.

The Attorney General’s Office (AGO) points out that it is not clear how this bill would apply to local option districts that have previously voted to disallow Sunday sales. If the intention of HB 386 is to render such a previous election void, a clear statement on the matter may be helpful.

The RLD states that the bill as written removes the ability of each local option district to choose what works best for their locality.

The Department of Health (DOH) expresses health-related concerns with this bill, noting that New Mexico’s alcohol-related problems are among the worst in the nation. They point out that maintaining limits on hours and days of alcohol sales has been recommended as an approach to reducing alcohol-related problems, and that local option districts appear to be using the available Sunday sales options to limit days of sales as recommended by the Community Preventive Services Task Force (Community Guide) to mitigate these problems. The DOH suggests that by eliminating the local option to disallow Sunday sales, and by increasing hours of sales, this bill would cause an increase in New Mexico’s burden of alcohol-related problems.

ADMINISTRATIVE IMPLICATIONS

The RLD notes that the Alcohol and Gaming Division would no longer issue Sunday Sales permits or collect the associated fees.

RELATIONSHIP

Relates to Senate Bill 154, which allows 10 am Sunday sales in all local option districts that have voted to approve Sunday sales.

KC/svb:blm