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FISCAL IMPACT REPORT

ORIGINAL DATE 02/14/13

SPONSOR Maestas LAST UPDATED _____ HB 421

SHORT TITLE Wine Bar Licenses SB _____

ANALYST Weber

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY13	FY14	FY15		
	\$21.0	\$21.0	Recurring	General

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of Bill

House Bill 421 will create a new liquor license type. The license will allow the sale of wine for on-premise consumption and would allow the package sale of up to two unopened bottles of wine per customer. The license would carry the following restrictions: the license is not transferable from person to person or from location to location; the license shall expire annually and be subject to renewal; wine sales are permitted from noon until midnight; Sunday Sales will be permitted in local options that have voted to allow Sunday Sales from noon until midnight and as otherwise set forth in Section 60-7A-1 NMSA 1978. The initial fee and subsequent renewal fees for this license are \$1,050.

HB 421 would also amend Section 60-6A-12 to allow the holder of a Wine Bar License to apply for and receive a special wine dispenser's permit for service of alcohol off the normal licensed premises at public celebrations and private catered events. Written approval for the event from the local governing body would be required.

FISCAL IMPLICATIONS

Revenue would be limited to the number of licensees paying the annual fee of \$1,050. While this would generate some general fund revenue it is not anticipated to be significant. An estimate of 20 wine bars operating in the state at any one time produces \$21,000 annually.

TECHNICAL ISSUES

It is unclear if the allowance for sale of two bottles of unopened wine per customer is per sale, per day, per month, etc. The time period for the two bottle sale should be clarified.

It is not specified if these wine permits are subject to any quotas by geographic area or population density like other liquor licenses.

MW/blm