

1 A MEMORIAL

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

6
7 WHEREAS, there are at least nineteen different liquor
8 licenses in New Mexico that authorize the sale of different
9 alcoholic beverages in different circumstances, including,
10 among others, craft distillers, winegrowers, small brewers
11 and brandy manufacturers; and

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

15 WHEREAS, only retailer's and some dispenser's licenses
16 allow the sale of beer, wine and spirits in unbroken
17 packages, although craft distillers, winegrowers and small
18 brewers are authorized to sell unbroken packages of products
19 that are produced in New Mexico; and

20 WHEREAS, retailer's and dispenser's licenses are limited
21 based on population and location; and

22 WHEREAS, one thousand four hundred eleven dispenser's
23 and retailer's licenses have been issued based on population
24 and location; and

25 WHEREAS, New Mexico's population has declined and

1 shifted such that the number and location of licenses no
2 longer align with the limitations, and more licenses exist
3 now than are authorized by statute, notwithstanding that the
4 excess licenses are specifically permitted by the same
5 statute; and

6 WHEREAS, an unintended consequence of the limitations on
7 retailer's and dispenser's licenses is that a lucrative
8 private market has developed for the transfer of the licenses
9 between holders, and the average "sale" price of a
10 dispenser's license is now over three hundred thousand
11 dollars (\$300,000), which represents a substantial asset to
12 the holder; and

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

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

19 WHEREAS, the private market cost of obtaining a
20 dispenser's license is prohibitive for most small business
21 owners; and

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

24 WHEREAS, the lack of availability and distribution of
25 retailer's and dispenser's licenses has become a detriment to

1 the vibrancy of struggling rural communities;

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

10 BE IT FURTHER RESOLVED that copies of this memorial be
11 transmitted to the co-chairs of the New Mexico legislative
12 council and the directors of the legislative council service
13 and the legislative finance committee.

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