

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Griggs/O'Neill ORIGINAL DATE 01/25/17
LAST UPDATED 02/07/17 HB _____

SHORT TITLE Allow Customers to Bring Wine to Restaurants SB 58/aSCORC

ANALYST Amacher

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY17	FY18		
None	None		

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 37, SB 57, SB 124 and HB 39, HB 51, HB 56, HB 162

SOURCES OF INFORMATION

LFC Files

Department of Public Safety (DPS)

Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of SCORC Amendment

The Senate Corporations and Transportation Committee amendment permits a dispenser, canopy licensee or restaurant licensee in allowing a customer to bring their own commercially produced bottle of wine that is not available on the menu onto the licensed premises. The amendment adds to the conditions of which a corkage fee may be charged by adding the requirement that the customer purchases and consumes all or a portion of a full-course meal with the bottle of wine that the customer brought onto the licensed premises.

Synopsis of Original Bill

Senate Bill 58 amends the General Provisions (Section 60-3A-12 NMSA 1978) relating to liquor control allowing restaurant customers to bring their own wine for consumption. A fee is also permitted for uncorking and serving customers' wine. SB 58 has an effective date of July 1, 2017.

FISCAL IMPLICATIONS

No known fiscal impacts.

SIGNIFICANT ISSUES

Senate Bill 58 as amended allows a dispenser, canopy licensee or restaurant licensee to permit customers to bring their own wine, which is wine not on the menu, to have it opened and served for a fee. The customer is required to purchase and consume all or a portion of a full-course meal with the bottle of wine that the customer brought onto the licensed premises. The restaurant is not required to offer uncorking services and servers must comply with all other requirements of the Liquor Control Act.

SB 58 as amended does allow the customer to leave with an opened bottle of partially consumed wine provided: the customer has purchased a meal, consumed a portion of the meal; a copy of the receipt and a note identifying it as the customer's own bottle of wine is attached to the bottle; and the bottle is corked and sealed in a tamper-proof bag.

RLD comments the licenses that would be able to allow for a bring-your-own-bottle are dispenser licenses, canopy licensee or restaurant licensees. In states where this practice is legal, the establishment normally charges a corkage fee, such as \$20, to the patron for opening and serving the wine. Such a fee is allowed under this bill. Each establishment could decide if this practice is right for its clientele and business model. The establishment would be required to follow all other laws in the Liquor Control Act, including prohibitions against serving minors and against serving intoxicated persons. As a practical matter, alcohol servers would have to make those determinations when deciding if the patron was already intoxicated or became intoxicated during the service of the wine brought by the patron.

JMA/jle/al/jle