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SENATE BILL 320

**55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021**

INTRODUCED BY

Ron Griggs

AN ACT

RELATING TO LIQUOR LICENSES; CREATING NEW TYPES OF LIQUOR  
LICENSES; ALTERING THE REQUIREMENTS AND POWERS CONFERRED BY  
CERTAIN LIQUOR LICENSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 60-3A-3 NMSA 1978 (being Laws 1981,  
Chapter 39, Section 3, as amended by Laws 2019, Chapter 29,  
Section 2 and by Laws 2019, Chapter 229, Section 3) is amended  
to read:

"60-3A-3. DEFINITIONS.--As used in the Liquor Control  
Act:

A. "alcoholic beverages" means distilled or  
rectified spirits, potable alcohol, powdered alcohol, frozen or  
freeze-dried alcohol, brandy, whiskey, rum, gin and aromatic  
bitters bearing the federal internal revenue strip stamps or

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1 any similar alcoholic beverage, including blended or fermented  
2 beverages, dilutions or mixtures of one or more of the  
3 foregoing containing more than one-half percent alcohol, but  
4 excluding medicinal bitters;

5 B. "beer" means an alcoholic beverage obtained by  
6 the fermentation of any infusion or decoction of barley, malt  
7 and hops or other cereals in water, and includes porter, beer,  
8 ale and stout;

9 C. "brewer" means a person who owns or operates a  
10 business for the manufacture of beer;

11 D. "cider" means an alcoholic beverage made from  
12 the normal alcoholic fermentation of the juice of sound, ripe  
13 apples or pears that contains not less than one-half of one  
14 percent alcohol by volume and not more than eight and one-half  
15 percent alcohol by volume;

16 E. "club" means:

17 (1) any nonprofit group, including an  
18 auxiliary or subsidiary group, organized and operated under the  
19 laws of this state, with a membership of not less than fifty  
20 members who pay membership dues at the rate of not less than  
21 five dollars (\$5.00) per year and who, under the constitution  
22 and bylaws of the club, have all voting rights and full  
23 membership privileges, and which group is the owner, lessee or  
24 occupant of premises used exclusively for club purposes and  
25 which group the director finds:

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1 (a) is operated solely for recreation,  
2 social, patriotic, political, benevolent or athletic purposes;  
3 and

4 (b) has been granted an exemption by the  
5 United States from the payment of the federal income tax as a  
6 club under the provisions of Section 501(a) of the Internal  
7 Revenue Code of 1986, as amended, or, if the applicant has not  
8 operated as a club for a sufficient time to be eligible for the  
9 income tax exemption, it must execute and file with the  
10 director a sworn letter of intent declaring that it will, in  
11 good faith, apply for an income tax exemption as soon as it is  
12 eligible; or

13 (2) an airline passenger membership club  
14 operated by an air common carrier that maintains or operates a  
15 clubroom at an international airport terminal. As used in this  
16 paragraph, "air common carrier" means a person engaged in  
17 regularly scheduled air transportation between fixed termini  
18 under a certificate of public convenience and necessity issued  
19 by the federal aviation administration;

20 F. "commission" means the secretary of public  
21 safety when the term is used in reference to the enforcement  
22 and investigatory provisions of the Liquor Control Act and  
23 means the superintendent of regulation and licensing when the  
24 term is used in reference to the licensing provisions of the  
25 Liquor Control Act;

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1           G. "department" means the New Mexico state police  
2 division of the department of public safety when the term is  
3 used in reference to the enforcement and investigatory  
4 provisions of the Liquor Control Act and means the director of  
5 the alcoholic beverage control division of the regulation and  
6 licensing department when the term is used in reference to the  
7 licensing provisions of the Liquor Control Act;

8           H. "director" means the chief of the New Mexico  
9 state police division of the department of public safety when  
10 the term is used in reference to the enforcement and  
11 investigatory provisions of the Liquor Control Act and means  
12 the director of the alcoholic beverage control division of the  
13 regulation and licensing department when the term is used in  
14 reference to the licensing provisions of the Liquor Control  
15 Act;

16           I. "dispenser" means a person licensed under the  
17 provisions of the Liquor Control Act selling, offering for sale  
18 or having in the person's possession with the intent to sell  
19 alcoholic beverages both by the drink for consumption on the  
20 licensed premises and in unbroken packages, including growlers,  
21 for consumption and not for resale off the licensed premises;

22           J. "distiller" means a person engaged in  
23 manufacturing spirituous liquors;

24           K. "golf course" means a tract of land and  
25 facilities used for playing golf and other recreational

1 activities that includes tees, fairways, greens, hazards,  
2 putting greens, driving ranges, recreational facilities,  
3 patios, pro shops, cart paths and public and private roads that  
4 are located within the tract of land;

5 L. "governing body" means the board of county  
6 commissioners of a county or the city council or city  
7 commissioners of a municipality;

8 M. "growler" means a clean, refillable, resealable  
9 container that has a liquid capacity that does not exceed one  
10 gallon and that is intended and used for the sale of beer, wine  
11 or cider for consumption off premises;

12 N. "hotel" means an establishment or complex having  
13 a resident of New Mexico as a proprietor or manager and where,  
14 in consideration of payment, meals and lodging are regularly  
15 furnished to the general public. The establishment or complex  
16 must maintain for the use of its guests a minimum of twenty-  
17 five sleeping rooms;

18 O. "licensed premises" means the contiguous areas  
19 or areas connected by indoor passageways of a structure and the  
20 outside dining, recreation and lounge areas of the structure  
21 and the grounds and vineyards of a structure that is a winery  
22 that are under the direct control of the licensee and from  
23 which the licensee is authorized to sell, serve or allow the  
24 consumption of alcoholic beverages under the provisions of its  
25 license; provided that in the case of a restaurant, "licensed

1 premises" includes a restaurant that has operated continuously  
2 in two separate structures since July 1, 1987 and that is  
3 located in a local option district that has voted to disapprove  
4 the transfer of liquor licenses into that local option  
5 district, hotel, golf course, ski area or racetrack and all  
6 public and private rooms, facilities and areas in which  
7 alcoholic beverages are sold or served in the customary  
8 operating procedures of the restaurant, hotel, golf course, ski  
9 area or racetrack. "Licensed premises" also includes rural  
10 dispenser licenses located in the unincorporated areas of a  
11 county with a population of less than thirty thousand, located  
12 in buildings in existence as of January 1, 2012, that are  
13 within one hundred fifty feet of one another and that are under  
14 the direct control of the license holder;

15 P. "local option district" means a county that has  
16 voted to approve the sale, serving or public consumption of  
17 alcoholic beverages, or an incorporated municipality that falls  
18 within a county that has voted to approve the sale, serving or  
19 public consumption of alcoholic beverages, or an incorporated  
20 municipality of over five thousand population that has  
21 independently voted to approve the sale, serving or public  
22 consumption of alcoholic beverages under the terms of the  
23 Liquor Control Act or any former act;

24 Q. "manufacturer" means a distiller, rectifier,  
25 brewer or winer;

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1 R. "minor" means a person under twenty-one years of  
2 age;

3 S. "package" means an immediate container of  
4 alcoholic beverages that is filled or packed by a manufacturer  
5 or wine bottler for sale by the manufacturer or wine bottler to  
6 wholesalers;

7 T. "package licensee" means a person licensed under  
8 the provisions of the Liquor Control Act selling, offering for  
9 sale or having in the person's possession with the intent to  
10 sell alcoholic beverages in unbroken packages, including  
11 growlers, for consumption and not for resale off the licensed  
12 premises;

13 ~~[F.]~~ U. "person" means an individual, corporation,  
14 firm, partnership, copartnership, association or other legal  
15 entity;

16 ~~[U.]~~ V. "rectifier" means a person who blends,  
17 mixes or distills alcohol with other liquids or substances for  
18 the purpose of making an alcoholic beverage for the purpose of  
19 sale other than to the consumer by the drink, and includes all  
20 bottlers of spirituous liquors;

21 ~~[V.]~~ W. "restaurant" means an establishment having  
22 a New Mexico resident as a proprietor or manager that is held  
23 out to the public as a place where meals are prepared and  
24 served primarily for on-premises consumption to the general  
25 public in consideration of payment and that has a dining room,

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1 a kitchen and the employees necessary for preparing, cooking  
2 and serving meals; provided that "restaurant" does not include  
3 establishments as defined in rules promulgated by the director  
4 serving only hamburgers, sandwiches, salads and other fast  
5 foods;

6 ~~[W. "retailer" means a person licensed under the~~  
7 ~~provisions of the Liquor Control Act selling, offering for sale~~  
8 ~~or having in the person's possession with the intent to sell~~  
9 ~~alcoholic beverages in unbroken packages, including growlers,~~  
10 ~~for consumption and not for resale off the licensed premises;]~~

11 X. "ski area" means a tract of land and facilities  
12 for the primary purpose of alpine skiing, snowboarding or other  
13 snow sports with trails, parks and at least one chairlift with  
14 uphill capacity and may include facilities necessary for other  
15 seasonal or year-round recreational activities;

16 Y. "spirituous liquors" means alcoholic beverages  
17 as defined in Subsection A of this section except fermented  
18 beverages such as wine, beer, cider and ale;

19 Z. "wholesaler" means a person whose place of  
20 business is located in New Mexico and who sells, offers for  
21 sale or possesses for the purpose of sale any alcoholic  
22 beverages for resale by the purchaser;

23 AA. "wine" includes the words "fruit juices" and  
24 means alcoholic beverages obtained by the fermentation of the  
25 natural sugar contained in fruit or other agricultural

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1 products, with or without the addition of sugar or other  
2 products, that do not contain less than one-half percent nor  
3 more than twenty-one percent alcohol by volume;

4 BB. "wine bottler" means a New Mexico wholesaler  
5 who is licensed to sell wine at wholesale for resale only and  
6 who buys wine in bulk and bottles it for wholesale resale;

7 CC. "winegrower" means a person who owns or  
8 operates a business for the manufacture of wine or cider;

9 DD. "winer" means a winegrower; and

10 EE. "winery" means a facility in which a winegrower  
11 manufactures and stores wine or cider."

12 SECTION 2. Section 60-5A-2 NMSA 1978 (being Laws 1981,  
13 Chapter 39, Section 16) is amended to read:

14 "60-5A-2. RESUBMISSION OF LOCAL OPTION QUESTION.--In any  
15 local option district in which the local option provisions of  
16 the Liquor Control Act or former act have been rejected by the  
17 voters, it shall be permissible after the expiration of two  
18 years from the date of the election at which the local option  
19 provisions of the Liquor Control Act or any former act were  
20 rejected to have another local option election in the district  
21 by following the procedure provided for in Section [~~15 of the~~  
22 ~~Liquor Control Act~~] 60-5A-1 NMSA 1978. At the option of the  
23 petitioners referred to in Subsection A of Section [~~15 of that~~  
24 ~~act~~] 60-5A-1 NMSA 1978, it shall be permissible to resubmit to  
25 the voters of one district not only the question of the sale,

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1 service or public consumption of alcoholic beverages, but it  
2 shall also be permissible to petition for a local option  
3 election for the purpose of submitting to the voters of the  
4 district the question of permitting the sale of alcoholic  
5 beverages by ~~[retailers]~~ package licensees only in the  
6 district."

7 SECTION 3. Section 60-6A-1 NMSA 1978 (being Laws 1981,  
8 Chapter 39, Section 18, as amended) is amended to read:

9 "60-6A-1. WHOLESALER'S LICENSE.--

10 A. In any local option district, a person qualified  
11 under the provisions of the Liquor Control Act may apply for  
12 and be issued a license as a wholesaler of alcoholic beverages.

13 B. No wholesaler shall sell, offer for sale or ship  
14 alcoholic beverages not received at and shipped from the  
15 premises specified in the wholesaler's license. As used in  
16 this section, "received at and shipped from" means that all  
17 alcoholic beverages shall be unloaded at the wholesaler's  
18 licensed premises and placed into inventory before being sold  
19 and shipped to a licensed retailer.

20 C. No wholesaler shall sell or offer for sale  
21 alcoholic beverages to any person other than the holder of a  
22 New Mexico wholesaler's, ~~[retailer's]~~ package, dispenser's,  
23 canopy, restaurant or club license, a governmental licensee or  
24 its lessee or an enterprise owned, operated or licensed by an  
25 Indian nation, tribe or pueblo within the state in conformity

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1 with an ordinance duly adopted by the Indian nation, tribe or  
2 pueblo having jurisdiction over the situs of the transaction  
3 within the area of Indian country, certified by the secretary  
4 of the interior, published in the federal register, according  
5 to the laws of the United States."

6 SECTION 4. Section 60-6A-2 NMSA 1978 (being Laws 1981,  
7 Chapter 39, Section 19) is amended to read:

8 "60-6A-2. [~~RETAILER'S LICENSE~~] PACKAGE LICENSES.--~~[A.]~~  
9 In any local option district, a person qualified under the  
10 provisions of the Liquor Control Act may apply for and be  
11 issued a [~~retailer's~~] class A, class B or class C package  
12 license for the retail sale of alcoholic beverages.

13 [~~B. A retailer's license, when issued, shall only~~  
14 ~~be used by the person to whom the license is issued and shall~~  
15 ~~only be used within the licensed premises, pursuant to~~  
16 ~~provisions of the Liquor Control Act.]"~~

17 SECTION 5. A new Section 60-6A-2.1 NMSA 1978 is enacted  
18 to read:

19 "60-6A-2.1. [NEW MATERIAL] CLASS A PACKAGE LICENSE.--All  
20 persons who have valid retailer's licenses on June 30, 2021  
21 shall be issued an equal number of class A package licenses.  
22 Class A package licensees shall be limited to providing package  
23 sales of beer, wine and spirituous liquors. All sales of beer,  
24 wine and spirituous liquors by a class A package licensee shall  
25 occur between 7:00 a.m. and 2:00 a.m. local time. Class A

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1 package licenses are transferrable from a local option district  
2 to another local option district and from a licensee to another  
3 person who is qualified under the provisions of the Liquor  
4 Control Act."

5 SECTION 6. A new Section 60-6A-2.2 NMSA 1978 is enacted  
6 to read:

7 "60-6A-2.2. [NEW MATERIAL] CLASS B PACKAGE LICENSE.--A  
8 class B package licensee shall be limited to providing package  
9 sales of beer, wine and spirituous liquors in a local option  
10 district with a population of less than ten thousand according  
11 to the last federal decennial census or any subsequent  
12 decennial census. All sales of beer, wine and spirituous  
13 liquors by a class B package licensee shall occur between 11:00  
14 a.m. to midnight local time. Class B package licenses are  
15 transferrable from location to location within a local option  
16 district but are not transferrable from a licensee to another  
17 person."

18 SECTION 7. A new Section 60-6A-2.3 NMSA 1978 is enacted  
19 to read:

20 "60-6A-2.3. [NEW MATERIAL] CLASS C PACKAGE LICENSE.--A  
21 class C package licensee shall be limited to providing package  
22 sales of beer and wine. All sales of beer and wine by a class  
23 C package licensee shall occur between 11:00 a.m. to midnight  
24 local time. Class C package licenses are transferrable from  
25 location to location within a local option district but are not

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1 transferrable from a licensee to another person."

2 SECTION 8. Section 60-6A-3 NMSA 1978 (being Laws 1981,  
3 Chapter 39, Section 20) is amended to read:

4 "60-6A-3. DISPENSER'S ~~[LICENSE]~~ LICENSES.--~~[A.]~~ In ~~[any]~~  
5 a local option district, a person qualified under the  
6 provisions of the Liquor Control Act may apply for and be  
7 issued a class A, class B, class C, class D or class E  
8 dispenser's license for the sale of alcoholic beverages.

9 ~~[B. A dispenser's license, when issued, shall only~~  
10 ~~be used by the person to whom the license is issued and shall~~  
11 ~~only be used within the licensed premises, pursuant to~~  
12 ~~provisions of the Liquor Control Act.]"~~

13 SECTION 9. A new Section 60-6A-3.1 NMSA 1978 is enacted  
14 to read:

15 "60-6A-3.1. [NEW MATERIAL] CLASS A DISPENSER'S LICENSE.--  
16 All persons who have valid dispenser's licenses on June 30,  
17 2021 shall be issued an equal number of class A dispenser's  
18 licenses. A class A dispenser's licensee may provide package  
19 sales and liquor by the drink. All package and liquor by the  
20 drink sales by a class A dispenser's licensee shall occur  
21 between 7:00 a.m. and 2:00 a.m. local time. A class A  
22 dispenser's licensee may provide package sales in a separate  
23 location from where the licensee provides liquor by the drink  
24 sales; provided that both locations are within the local option  
25 district and both locations are operated by the same ownership.

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1 Class A dispenser's licenses are transferrable from a local  
2 option district to another local option district, and the  
3 recipient licenses shall maintain all the rights conferred by  
4 the license."

5 SECTION 10. A new Section 60-6A-3.2 NMSA 1978 is enacted  
6 to read:

7 "60-6A-3.2. [NEW MATERIAL] CLASS B DISPENSER'S LICENSE.--

8 A class B dispenser's licensee shall be limited to providing  
9 liquor sales by the drink. All liquor by the drink sales by a  
10 class B dispenser's licensee shall occur between 7:00 a.m. and  
11 2:00 a.m. local time. Class B dispenser's licenses are  
12 transferrable from location to location within a local option  
13 district and are transferrable:

14 A. from a local option district to another local  
15 option district; and

16 B. outside their local option district for either  
17 liquor sales by the drink or for package sales; provided that  
18 if they are transferred for package sales purposes, the hours  
19 of operation shall be from 11:00 a.m. to 12:00 a.m. local  
20 time."

21 SECTION 11. A new Section 60-6A-3.3 NMSA 1978 is enacted  
22 to read:

23 "60-6A-3.3. [NEW MATERIAL] CLASS C DISPENSER'S LICENSE.--

24 A class C dispenser's license shall only be issued in a local  
25 option district with a population under ten thousand people

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1 according to the most recent federal decennial census. A class  
2 C dispenser's licensee shall be limited to providing liquor  
3 sales by the drink. Class C dispenser's licenses are  
4 transferrable from location to location within a local option  
5 district but are not transferrable from a local option district  
6 to another local option district. All liquor by the drink  
7 sales by a class C dispenser's licensee shall occur between  
8 7:00 a.m. and midnight local time."

9 SECTION 12. A new Section 60-6A-3.4 NMSA 1978 is enacted  
10 to read:

11 "60-6A-3.4. [NEW MATERIAL] CLASS D DISPENSER'S LICENSE.--  
12 A class D dispenser's licensee shall be limited to providing  
13 liquor sales by the drink. Class D dispenser's licenses are  
14 not transferrable. All liquor by the drink sales by a class D  
15 dispenser's licensee shall occur between 11:00 a.m. and  
16 midnight local time."

17 SECTION 13. A new Section 60-6A-3.5 NMSA 1978 is enacted  
18 to read:

19 "60-6A-3.5. [NEW MATERIAL] CLASS E DISPENSER'S LICENSE--  
20 LIMITATIONS.--

21 A. The director may issue a class E dispenser's  
22 license to an owner or operator of a hotel in accordance with  
23 rules promulgated by the director to protect public health and  
24 safety. The license shall be limited to the serving or sales  
25 of beer, wine and spirituous liquors to the guests of the

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1 hotel.

2 B. The owner or operator of a hotel may apply for a  
3 class E dispenser's license by submitting to the department any  
4 fees and such information as the director may require. A  
5 license shall be valid for one year from the date that it is  
6 issued and may be renewed. The license shall allow the owner,  
7 operator or employee of a hotel who holds a server permit to  
8 dispense beer, wine and spirituous liquors to guests of the  
9 hotel.

10 C. The issuance of a class E dispenser's license  
11 shall be contingent on the approval of the governing body or  
12 local option district of the jurisdiction in which the hotel is  
13 domiciled.

14 D. Other than nonalcoholic beverages, hotel rooms  
15 may contain a maximum of four one-ounce containers of  
16 spirituous liquors, six twelve-ounce containers of beer and two  
17 thirteen-ounce bottles of wine per guest per day.

18 E. A class E dispenser's license shall not be  
19 transferable from person to person or from one location to  
20 another.

21 F. An owner, operator or employee of a hotel with a  
22 class E dispenser's license who holds a server permit shall  
23 comply with the provisions of the Alcohol Server Education  
24 Article of the Liquor Control Act."

25 SECTION 14. Section 60-6A-4 NMSA 1978 (being Laws 1981,  
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1 Chapter 39, Section 21, as amended) is amended to read:

2 "60-6A-4. RESTAURANT [~~LICENSE~~] LICENSES--CLASS A  
3 RESTAURANT LICENSE--CLASS B RESTAURANT LICENSE.--

4 A. A local option district may approve the issuance  
5 of restaurant licenses [~~for the sale of beer and wine~~] by  
6 holding an election on that question pursuant to the procedures  
7 set out in Section 60-5A-1 NMSA 1978. The election also may be  
8 initiated by a resolution adopted by the governing body of the  
9 local option district without a petition from qualified  
10 electors having been submitted.

11 B. After the approval of restaurant licenses by the  
12 qualified electors of the local option district and upon  
13 completion of all requirements in the Liquor Control Act for  
14 the issuance of licenses, a restaurant located or to be located  
15 within the local option district may receive a restaurant  
16 license to sell, serve or allow for a class A restaurant  
17 license, the consumption of beer, wine and spirituous liquors,  
18 and for a class B restaurant license, the consumption of beer  
19 and wine subject to the following requirements and  
20 restrictions:

21 (1) the applicant shall submit evidence to the  
22 department that the applicant has a current valid food service  
23 establishment permit;

24 (2) the applicant shall satisfy the director  
25 that the primary source of revenue from the operation of the

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1 restaurant will be derived from meals and not from the sale of  
2 beer, [~~and~~] wine and spirituous liquors;

3 (3) the director shall condition renewal upon  
4 a requirement that no less than sixty percent of gross receipts  
5 from the preceding twelve months' operation of the licensed  
6 restaurant was derived from the sale of [~~meals~~] food;

7 (4) upon application for renewal, the licensee  
8 shall submit an annual report to the director indicating the  
9 annual gross receipts from the sale of [~~meals~~] food and from  
10 beer, [~~and~~] wine and spirituous liquor sales;

11 (5) restaurant licensees shall not sell beer,  
12 [~~and~~] wine or spirituous liquors for consumption off the  
13 licensed premises;

14 (6) all sales, services and consumption of  
15 beer, [~~and~~] wine and spirituous liquors authorized by a  
16 restaurant license shall cease at the time [~~meal~~] food sales  
17 and services cease or at [~~11:00~~] 10:00 p.m., whichever time is  
18 earlier;

19 (7) if Sunday sales have been approved in the  
20 local option district, a restaurant licensee may serve beer,  
21 [~~and~~] wine and spirituous liquors on Sundays until the time  
22 meal sales and services cease or [~~11:00 p.m.~~] 10:00 p.m.,  
23 whichever time is earlier; [~~and~~]

24 (8) a restaurant license shall not be  
25 transferable from person to person [~~or~~] but may be transferred

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1 from one location to another within the local option district;  
2 and

3 (9) the licensed premises shall not have  
4 counter seating for more than five patrons unless the licensed  
5 premises is housed in a building that is included in the  
6 national register of historic places.

7 C. The provisions of Section 60-6A-18 NMSA 1978  
8 shall not apply to restaurant licenses.

9 D. Nothing in this section shall prevent a  
10 restaurant licensee from receiving other licenses pursuant to  
11 the Liquor Control Act."

12 SECTION 15. Section 60-6A-7 NMSA 1978 (being Laws 1981,  
13 Chapter 39, Section 24, as amended) is amended to read:

14 "60-6A-7. NONRESIDENT LICENSE.--

15 A. A nonresident manufacturer or wholesaler who  
16 qualifies may apply for and be issued a nonresident license.

17 B. No nonresident wholesaler or manufacturer shall,  
18 directly or indirectly or through an affiliate or subsidiary,  
19 apply for, be granted or hold a license under the provisions of  
20 the Liquor Control Act as a New Mexico wholesaler,  
21 manufacturer, dispenser or ~~retailer~~ package licensee;  
22 provided that a nonresident wholesaler may be granted and hold  
23 a New Mexico wholesaler's license only if the business  
24 operated, and the New Mexico wholesaler's license, was  
25 purchased from an existing wholesaler and is operated as a

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1 separate and distinct business from all other businesses of the  
2 nonresident wholesaler, including for the purpose of Section  
3 60-8A-6 NMSA 1978, and no alcoholic beverages are transshipped  
4 between any of the other businesses and the business operated  
5 under that license.

6 C. Nonresident licensees may sell, offer for sale  
7 or ship into the state alcoholic beverages only to licensed New  
8 Mexico manufacturers and wholesalers.

9 D. Every nonresident licensee or every New Mexico  
10 wholesaler or rectifier selling or shipping alcoholic beverages  
11 to a New Mexico wholesaler shall mail to the department one  
12 duplicate invoice covering all shipments into or sales in the  
13 state, stating the prices, together with all terms,  
14 concessions, allowances, forbearances and deductions. In cases  
15 of shipments, a copy of the bill of lading or ~~[way bill]~~  
16 waybill shall accompany the invoice mailed to the department.

17 On each invoice for alcoholic beverages, the total number of  
18 cases and the total number of liters of alcoholic beverage  
19 shall also be noted by the shipper or vendor. The invoice of  
20 all shipments or sales shall also state the brand, labels and  
21 size of containers of each item, unless shipped or sold in bulk  
22 to be bottled by a licensed rectifier or wine bottler using  
23 ~~[his]~~ the licensed rectifier's or wine bottler's own label and  
24 brand; provided, however, this section shall not apply to  
25 intrastate sales and shipments from one New Mexico wholesaler

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1 to another wholesaler.

2 E. The director may suspend or revoke the license  
3 of a nonresident licensee or wholesaler who does not comply  
4 with the provisions of Subsections B through D of this  
5 section."

6 SECTION 16. Section 60-6A-15 NMSA 1978 (being Laws 1981,  
7 Chapter 39, Section 32, as amended) is amended to read:

8 "60-6A-15. LICENSE FEES.--Every application for the  
9 issuance or renewal of the following licenses shall be  
10 accompanied by a license fee in the following specified  
11 amounts:

12 A. class A dispenser's license, three thousand  
13 dollars (\$3,000);

14 B. class B dispenser's license, two thousand  
15 dollars (\$2,000);

16 C. class C dispenser's license, two thousand  
17 dollars (\$2,000);

18 D. class D dispenser's license, five thousand  
19 dollars (\$5,000);

20 E. class A package license, seven thousand five  
21 hundred dollars (\$7,500);

22 F. class B package license, initial fee, fifty  
23 thousand dollars (\$50,000); and renewal fee, five thousand  
24 dollars (\$5,000);

25 G. class C package license, initial fee, ten

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1 thousand dollars (\$10,000); and renewal fee, three thousand  
2 dollars (\$3,000);

3 H. class A restaurant license, initial fee, three  
4 thousand dollars (\$3,000); and renewal fee, two thousand five  
5 hundred dollars (\$2,500);

6 I. class B restaurant license, initial fee, three  
7 thousand dollars (\$3,000); and renewal fee, two thousand  
8 dollars (\$2,000);

9 ~~[A.]~~ J. manufacturer's license as a distiller,  
10 except a brandy manufacturer, three thousand dollars (\$3,000);

11 ~~[B.]~~ K. manufacturer's license as a brewer, three  
12 thousand dollars (\$3,000);

13 ~~[C.]~~ L. manufacturer's license as a rectifier, one  
14 thousand fifty dollars (\$1,050);

15 ~~[D.]~~ M. wholesaler's license to sell all alcoholic  
16 beverages for resale only, two thousand five hundred dollars  
17 (\$2,500);

18 ~~[E.]~~ N. wholesaler's license to sell spirituous  
19 liquors and wine for resale only, one thousand seven hundred  
20 fifty dollars (\$1,750);

21 ~~[F.]~~ O. wholesaler's license to sell spirituous  
22 liquors for resale only, one thousand five hundred dollars  
23 (\$1,500);

24 ~~[G.]~~ P. wholesaler's license to sell beer and wine  
25 for resale only, one thousand five hundred dollars (\$1,500);

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1           ~~[H.]~~ Q. wholesaler's license to sell beer for  
2 resale only, one thousand dollars (\$1,000);  
3           ~~[F.]~~ R. wholesaler's license to sell wine for  
4 resale only, seven hundred fifty dollars (\$750);  
5           ~~[J.]~~ retailer's license, one thousand three hundred  
6 dollars (\$1,300);  
7           ~~K.~~ dispenser's license, one thousand three hundred  
8 dollars (\$1,300);  
9           ~~L.]~~ S. canopy license, one thousand three hundred  
10 dollars (\$1,300);  
11           ~~[M.]~~ restaurant license, one thousand fifty dollars  
12 (\$1,050);  
13           ~~N.]~~ T. club license, for clubs with more than two  
14 hundred fifty members, one thousand two hundred fifty dollars  
15 (\$1,250), and for clubs with two hundred fifty members or  
16 fewer, two hundred fifty dollars (\$250);  
17           ~~[O.]~~ U. wine bottler's license to sell to  
18 wholesalers only, five hundred dollars (\$500);  
19           ~~[P.]~~ V. public service license, one thousand two  
20 hundred fifty dollars (\$1,250);  
21           ~~[Q.]~~ W. nonresident licenses, for a total billing  
22 to New Mexico wholesalers:  
23                   (1) in excess of:  
24 \$3,000,000 annually . . . . . \$10,500;  
25     1,000,000 annually . . . . . 5,250;

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1           500,000 annually . . . . . 3,750;  
2           200,000 annually . . . . . 2,700;  
3           100,000 annually . . . . . 1,800;

4           and

5           50,000 annually . . . . . 900;

6           and

7                           (2) of \$50,000 or less . . . . . \$300;

8                           [~~R-~~] X. wine wholesaler's license, for persons with  
9           sales of five thousand gallons of wine per year or less,  
10          twenty-five dollars (\$25.00), and for persons with sales in  
11          excess of five thousand gallons of wine per year, one hundred  
12          dollars (\$100); and

13                           [~~S-~~] Y. beer bottler's license, two hundred dollars  
14          (\$200)."

15                   SECTION 17. Section 60-6A-18 NMSA 1978 (being Laws 1981,  
16          Chapter 39, Section 35, as amended) is amended to read:

17                           "60-6A-18. LIMITATION ON NUMBER OF LICENSES--  
18          EXCEPTIONS.--

19                           A. The maximum number of licenses to be issued  
20          under the provisions of Sections 60-6A-2 and 60-6A-3 NMSA 1978  
21          shall be as follows:

22                                   (1) in incorporated municipalities, not more  
23          than one dispenser's or one [~~retailer's~~] package license,  
24          including canopy licenses [~~which~~] that are replaced by  
25          dispenser's licenses as provided in Section 60-6B-16 NMSA 1978,

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1 for each two thousand inhabitants or major fraction thereof;  
2 and

3 (2) in unincorporated areas of each county,  
4 not more than one dispenser's or one ~~[retailer's]~~ package  
5 license, including canopy licenses ~~[which]~~ that are replaced by  
6 dispenser's licenses as provided in Section 60-6B-16 NMSA 1978,  
7 for each two thousand inhabitants or major fraction thereof,  
8 excluding the population of incorporated municipalities within  
9 the county.

10 B. For the purpose of this section, the number of  
11 inhabitants of a local option district shall be determined by  
12 annual population estimates published by the economic  
13 development department.

14 C. Subsection A of this section shall not be  
15 construed to prevent ~~[any]~~ a licensee holding a valid license  
16 issued under the Liquor Control Act, or ~~[his]~~ the licensee's  
17 transferee, from continuing the licensed business or from  
18 renewing ~~[his]~~ the license, subject to compliance with the  
19 Liquor Control Act and department regulations, notwithstanding  
20 that the continuance or renewal may result in an excess over  
21 the maximum number of licenses permitted in Subsection A of  
22 this section."

23 SECTION 18. Section 60-6A-19 NMSA 1978 (being Laws 1981,  
24 Chapter 39, Section 36, as amended) is amended to read:

25 "60-6A-19. NO PROPERTY RIGHT IN LICENSE--EXCEPTION.--

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1           A. The holder of [~~any~~] a license issued under the  
2 Liquor Control Act or any former act has no vested property  
3 right in the license, which is the property of the state;  
4 provided that [~~retailer's~~] package licenses, dispenser's  
5 licenses and canopy licenses that were replaced by dispenser's  
6 licenses pursuant to Section 60-6B-16 NMSA 1978:

7           (1) shall be considered property subject to  
8 execution, attachment, a security transaction, liens,  
9 receivership and [~~all~~] other incidents of tangible personal  
10 property under the laws of this state, except as otherwise  
11 provided in the Liquor Control Act;

12           (2) may be assigned, transferred from person  
13 to person or leased, provided all requirements of the Liquor  
14 Control Act and department regulations are fulfilled; and

15           (3) shall be transferred as personal property  
16 upon attachment, execution, repossession by a secured party or  
17 lienor, foreclosure by a creditor, appointment of a receiver  
18 for the licensee, death of the licensee, filing of a petition  
19 of bankruptcy by or for the licensee, incapacity of the  
20 licensee or dissolution of the licensee. The director may, by  
21 rule or regulation, determine [~~any~~] an application or notice  
22 requirement for a person who temporarily holds a license  
23 pursuant to this subsection.

24           B. [~~Any~~] A license issued under the Liquor Control  
25 Act may be transferred to any location not otherwise contrary

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1 to law within the same local option district where the license  
2 is then located, provided all requirements of the Liquor  
3 Control Act and department regulations are fulfilled."

4 SECTION 19. Section 60-6A-24 NMSA 1978 (being Laws 1983,  
5 Chapter 280, Section 5, as amended) is amended to read:

6 "60-6A-24. WINE BLENDER'S LICENSE.--

7 A. In any local option district, a person qualified  
8 under the provisions of the Liquor Control Act, except as  
9 otherwise provided in the Domestic Winery, [~~and~~] Small Brewery  
10 and Craft Distillery Act, may apply for and be issued a wine  
11 blender's license.

12 B. A wine blender's license authorizes the person  
13 to whom it is issued to:

14 (1) package, rectify, blend, mix, flavor,  
15 color, label and export wine, whether manufactured or produced  
16 by [~~him~~] the person or any other person;

17 (2) sell only wine packaged by or for [~~him~~]  
18 the person to a person holding a New Mexico wine wholesaler's,  
19 wholesaler's, winegrower's or wine exporter's license or to a  
20 winegrower's agent;

21 (3) deal in warehouse receipts for wine; and

22 (4) be deemed a manufacturer for purposes of  
23 the Gross Receipts and Compensating Tax Act.

24 C. A wine blender's license does not authorize the  
25 person to whom it is issued:

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1 (1) to crush, ferment and produce wine from  
2 grapes, berries and other fruits;

3 (2) to obtain or be issued a winer's license,  
4 a [~~retailer's~~] package license or a dispenser's license;

5 (3) to buy, sell, receive or deliver wine from  
6 persons other than authorized licensees; or

7 (4) to conduct wine tastings or sell for  
8 consumption off premises, at retail, or to sponsor wine  
9 tastings, either on or off the wine blender's premises."

10 SECTION 20. Section 60-6A-29 NMSA 1978 (being Laws 1988,  
11 Chapter 60, Section 1, as amended) is amended to read:

12 "60-6A-29. WINE WHOLESALER'S LICENSE.--

13 A. In any local option district, a winegrower  
14 licensed under the Liquor Control Act may apply for and be  
15 issued a license as a wine wholesaler of wines produced by or  
16 for New Mexico winegrowers.

17 B. No wine wholesaler shall sell, offer for sale or  
18 ship wine not received at and shipped from the premises  
19 specified in the wine wholesaler's license.

20 C. No wine wholesaler shall sell or offer for sale  
21 wine to any person other than the holder of a New Mexico wine  
22 wholesaler's, wholesaler's, [~~retailer's~~] package, dispenser's,  
23 canopy, restaurant or club license or a governmental licensee  
24 or its lessee.

25 D. Nothing contained in this section shall prevent

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1 the sale, transportation or shipment of wine by a wine  
2 wholesaler to any person outside the state when shipped under  
3 permit from the department."

4 SECTION 21. Section 60-6A-33 NMSA 1978 (being Laws 2013,  
5 Chapter 148, Section 1, as amended) is amended to read:

6 "60-6A-33. TASTING PERMIT--FEES.--

7 A. The director is authorized to issue a tasting  
8 permit to a licensed dispenser, [~~retailer~~] resident  
9 manufacturer, nonresident manufacturer, wholesaler, [~~or~~]  
10 winegrower or package licensee or an agent of any such licensed  
11 entity to conduct tastings of wine, beer, cider or spirituous  
12 liquor on a licensed premises in accordance with rules  
13 promulgated by the director to protect public health and  
14 safety. A person serving wine, beer, cider or spirituous  
15 liquor at a tasting event permitted pursuant to this section  
16 shall have a server permit.

17 B. To apply for a tasting permit, the holder of a  
18 license described in Subsection A of this section shall submit  
19 to the department a tasting permit fee of one hundred dollars  
20 (\$100) and such information as the director may require. A  
21 tasting permit shall be valid for one year from the date that  
22 it is issued and may be renewed upon application to the  
23 department and payment of the tasting permit fee of one hundred  
24 dollars (\$100). A person permitted to hold tastings pursuant  
25 to this section shall notify the director no less than forty-

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1 eight hours before a tasting event of the person's intent to  
2 hold the event. Notification shall include the times and  
3 locations of, and the types of products to be included in, the  
4 tasting event. Upon receipt of notification, the director  
5 shall forward the notice to the appropriate staff member of the  
6 ~~[special investigations division of the]~~ department ~~[of public~~  
7 ~~safety]~~.

8 C. The director may impose the following  
9 administrative penalties on a person who holds a tasting permit  
10 for violations of the Liquor Control Act that occur during  
11 tastings conducted pursuant to the person's tasting permit:

12 (1) for a first violation, a fine no greater  
13 than one thousand dollars (\$1,000) or a restriction on issuance  
14 of tasting permits to the person for a period of two months, or  
15 both;

16 (2) for a second violation within a year of  
17 the first violation, a fine no greater than two thousand  
18 dollars (\$2,000) or a restriction on issuance of tasting  
19 permits to the person for a period of six months, or both; and

20 (3) for a third violation within a year of the  
21 first violation, a citation against the license held by the  
22 person, a fine no greater than five thousand dollars (\$5,000)  
23 and a restriction on issuance of tasting permits to the person  
24 for a period of one year."

25 SECTION 22. Section 60-6A-36 NMSA 1978 (being Laws 2018,

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1 Chapter 45, Section 1) is amended to read:

2 "60-6A-36. REDEEMABLE COUPONS PROHIBITED.--

3 A. A [~~nonretail~~] non-package licensee shall not  
4 offer, fund, produce, sponsor, promote, furnish or redeem any  
5 type of coupon or scanback.

6 B. For purposes of this section:

7 (1) "coupon" means an instantly redeemable  
8 coupon issued to a [~~retailer~~] package licensee by a  
9 manufacturer, importer or wholesaler allowing a specified  
10 amount of money to be deducted from the normal price of the  
11 particular alcoholic malt beverage product purchased at retail  
12 by a consumer during a promotional period;

13 (2) "licensee" means a person issued a license  
14 pursuant to the Liquor Control Act;

15 (3) "[~~nonretail~~] non-package licensee" means a  
16 manufacturer, importer or wholesaler licensee; and

17 (4) "scanback" means a reimbursement payment  
18 made to a retailer by a manufacturer, importer or wholesaler  
19 based on how many units of the particular alcoholic malt  
20 beverage products were sold during a promotional period."

21 SECTION 23. Section 60-6B-2 NMSA 1978 (being Laws 1981,  
22 Chapter 39, Section 38, as amended) is amended to read:

23 "60-6B-2. APPLICATIONS.--

24 A. Before a new license authorized by the Liquor  
25 Control Act may be issued by the director, the applicant for

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1 the license shall:

2 (1) submit to the director a written  
3 application for the license under oath, in the form prescribed  
4 by and stating the information required by the director,  
5 together with a nonrefundable application fee of two hundred  
6 dollars (\$200);

7 (2) submit to the director for approval a  
8 description, including floor plans, in a form prescribed by the  
9 director, that shows the proposed licensed premises for which  
10 the license application is submitted. The area represented by  
11 the approved description shall become the licensed premises;

12 (3) submit the name and street address of a  
13 New Mexico resident who is not a felon, who has power of  
14 attorney and authority to bind the applicant to matters related  
15 to liquor sales and operations and upon whom the director may  
16 serve any notice related to ownership or operation of the  
17 license, including any notice of charge pursuant to Chapter 60,  
18 Article 6C NMSA 1978;

19 (4) if the applicant is a corporation, be  
20 required to submit as part of its application the following:

21 (a) a certified copy of its articles of  
22 incorporation or, if a foreign corporation, a certified copy of  
23 its certificate of authority;

24 (b) the names and addresses of all  
25 officers and directors and those stockholders owning ten

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1 percent or more of the voting stock of the corporation and the  
2 amounts of stock held by each stockholder; provided, however, a  
3 corporation may not be licensed if an officer, manager,  
4 director or holder of more than a ten percent interest in the  
5 applicant entity would not be eligible to hold a license  
6 pursuant to the Liquor Control Act; and

7 (c) such additional information  
8 regarding the corporation as the director may require to assure  
9 full disclosure of the corporation's structure and financial  
10 responsibility;

11 (5) if the applicant is a limited partnership,  
12 submit as part of its application the following:

13 (a) a certified copy of its certificate  
14 of limited partnership;

15 (b) the names and addresses of all  
16 general partners and of all limited partners contributing ten  
17 percent or more of the total value of contributions made to the  
18 limited partnership or entitled to ten percent or more of the  
19 profits earned or other income paid by the limited partnership.  
20 A limited partnership shall not receive a license if a partner  
21 or holder of a ten percent or greater interest in the applicant  
22 entity designated in this subsection would not be eligible to  
23 hold a license issued pursuant to the Liquor Control Act; and

24 (c) such additional information  
25 regarding the limited partnership as the director may require

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1 to assure full disclosure of the limited partnership's  
2 structure and financial responsibility;

3 (6) if the applicant is a limited liability  
4 company, submit as part of its application the following:

5 (a) a copy of the articles of  
6 organization, with a copy of the certificate of filing with the  
7 public regulation commission;

8 (b) the ~~[name]~~ names and addresses of  
9 all the managing members and all of the nonmanaging members  
10 that own a greater than ten percent interest in the limited  
11 liability company. Any direct or indirect parent entity of the  
12 limited liability company with an interest of ten percent or  
13 more in the applicant entity shall submit application forms and  
14 qualify to hold a license; and

15 (c) such additional information  
16 regarding the limited liability company as the director may  
17 require to assure full disclosure of the limited liability  
18 company's structure and financial responsibility;

19 (7) if the applicant is a trust, submit as  
20 part of its application:

21 (a) the names and addresses of the  
22 trustees;

23 (b) the names and addresses of any  
24 beneficiaries having control over the property of the trust or  
25 receiving regular and substantial distributions of principal

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1 and income from the trust. Any beneficiary receiving regular  
2 and substantial distributions from the trust shall qualify to  
3 hold a license. The director may request a copy of the trust  
4 agreement for review, which trust agreement need not become  
5 part of the application. Affidavits as to the operation and  
6 distribution of the principal and income may be requested in  
7 lieu of, or in addition to, the copy of the trust agreement  
8 that is supplied for review by the department; and

9 (c) such additional information  
10 regarding the trust as the director may require to assure full  
11 disclosure of the trust's structure and financial  
12 responsibility; and

13 (8) obtain approval for the issuance from the  
14 governing body of the local option district in which the  
15 proposed licensed premises are to be located in accordance with  
16 the provisions of the Liquor Control Act.

17 B. Except for individual officers, directors,  
18 shareholders, members or partners of entities that are publicly  
19 traded on a national stock exchange and for individuals who  
20 have been fingerprinted for another New Mexico license and had  
21 no prior criminal or arrest record, every applicant for a new  
22 license or for a transfer of ownership of a license shall file  
23 with the application two complete sets of fingerprints taken  
24 under the supervision of and certified to by an officer of the  
25 New Mexico state police, a county sheriff, a municipal chief of

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1 police, a police officer in a foreign country or an individual  
2 qualified to take fingerprints by virtue of training or  
3 experience, for each of the following individuals:

4 (1) if the applicant is a person, for the  
5 applicant;

6 (2) if the applicant or the holder of a ten  
7 percent or greater interest in the applicant entity is a  
8 corporation, for each principal officer, for each member of the  
9 board of directors and for each stockholder with a ten percent  
10 or greater interest in the applicant entity;

11 (3) if the applicant or the holder of a ten  
12 percent or greater interest in the applicant entity is a  
13 general partnership, for each partner;

14 (4) if the applicant or the holder of a ten  
15 percent or greater interest in the applicant entity is a  
16 limited partnership, for each general partner, for each limited  
17 partner holding a ten percent or greater interest in the  
18 applicant entity and for any principal officers of the limited  
19 partnership;

20 (5) if the applicant or the holder of a ten  
21 percent or greater interest in the applicant entity is a  
22 limited liability company, for each managing member, for each  
23 member who owns a ten percent or greater interest in the  
24 applicant entity and for any principal officer of the limited  
25 liability company; and

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1 (6) if the applicant is a trust, for each  
2 trustee and for each beneficiary who has control over trust  
3 property and income or who receives substantial and regular  
4 distributions from the trust.

5 C. Upon submission of a sworn affidavit from each  
6 person who is required to file fingerprints stating that the  
7 person has not been convicted of a felony in any jurisdiction  
8 and pending the results of background investigations, a  
9 temporary license for ninety days may be issued. The temporary  
10 license may be extended by the director for an additional  
11 ninety days if the director determines there is not sufficient  
12 time to complete the background investigation or obtain reviews  
13 of fingerprints from appropriate agencies. A temporary license  
14 shall be surrendered immediately upon order of the director.

15 D. An applicant who files a false affidavit shall  
16 be denied a license. When the director determines a false  
17 affidavit has been filed, the director shall refer the matter  
18 to the attorney general or district attorney for prosecution of  
19 perjury.

20 E. If an applicant is not a resident of New Mexico,  
21 fingerprints may be taken under supervision and certification  
22 of comparable officers in the state of residence of the  
23 applicant.

24 F. Before issuing a license, the department shall  
25 hold a public hearing within thirty days after receipt of the

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1 application pursuant to Subsection K of this section.

2 G. An application for transfer of ownership shall  
3 be filed with the department no later than thirty days after  
4 the date a person acquired an ownership interest in a license.  
5 It shall contain the actual date of sale of the license and  
6 shall be accompanied by a sworn affidavit from the owner of  
7 record of the license agreeing to the sale of the license to  
8 the applicant as well as attesting to the accuracy of the  
9 information required by this section to be filed with the  
10 department. A license shall not be transferred unless it will  
11 be placed into operation in an actual location within one  
12 hundred twenty days of issuance of the license, unless for good  
13 cause shown the director grants an additional extension for a  
14 length of time determined by the director.

15 H. Whenever it appears to the director that there  
16 will be more applications for new licenses than the available  
17 number of new licenses during any time period, a random  
18 selection method for the qualification, approval and issuance  
19 of new licenses shall be provided by the director. The random  
20 selection method shall allow each applicant an equal  
21 opportunity to obtain an available license, provided that all  
22 dispenser's and ~~[retailer's]~~ package licenses issued in a  
23 calendar year shall be issued to residents of the state. For  
24 the purposes of random selection, the director shall also set a  
25 reasonable deadline by which applications for the available

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1 licenses shall be filed. A person shall not file more than one  
2 application for each available license and no more than three  
3 applications per calendar year.

4 I. After the deadline set in accordance with  
5 Subsection H of this section, no more than ten applications per  
6 available license shall be selected at random for priority of  
7 qualification and approval. Within thirty days after the  
8 random selection for the ten priority positions for each  
9 license, a hearing pursuant to Subsection K of this section  
10 shall be held to determine the qualifications of the applicant  
11 having the highest priority for each available license. If  
12 necessary, such a hearing shall be held on each selected  
13 application by priority until a qualified applicant for each  
14 available license is approved. Further random selections for  
15 priority positions shall also be held pursuant to this section  
16 as necessary.

17 J. All applications submitted for a license shall  
18 expire upon the director's final approval of a qualified  
19 applicant for that available license.

20 K. The director shall notify the applicant by  
21 certified mail of the date, time and place of the hearing. The  
22 hearing shall be held in Santa Fe. The director may designate  
23 a hearing officer to take evidence at the hearing. The  
24 director or the hearing officer shall have the power to  
25 administer oaths.

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1           L. In determining whether a license shall be  
2 issued, the director shall take into consideration all  
3 requirements of the Liquor Control Act. In the issuance of a  
4 license, the director shall specifically consider the nature  
5 and number of prior violations of the Liquor Control Act by the  
6 applicant or of any citations issued within the prior five  
7 years against a license held by the applicant or in which the  
8 applicant had an ownership interest required to be disclosed  
9 under the Liquor Control Act. The director shall disapprove  
10 the issuance or give preliminary approval of the issuance of  
11 the license based upon a review of all documentation submitted  
12 and any investigation deemed necessary by the director.

13           M. Before a new license is issued for a location,  
14 the director shall cause a notice of the application for the  
15 license to be posted conspicuously, on a sign not smaller than  
16 thirty inches by forty inches, on the outside of the front wall  
17 or front entrance of the immediate premises for which the  
18 license is sought or, if no building or improvements exist on  
19 the premises, the notice shall be posted at the front entrance  
20 of the immediate premises for which the license is sought, on a  
21 billboard not smaller than five feet by five feet. The  
22 contents of the notice shall be in the form prescribed by the  
23 department, and such posting shall be over a continuous period  
24 of twenty days prior to preliminary approval of the license.  
25 The director shall prescribe the manner in which the posting

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1 may be accomplished by the licensee, the licensee's  
2 representative or the director's designee.

3 N. A license shall not be issued until the posting  
4 requirements of Subsection M of this section have been met.

5 O. All costs of publication and posting shall be  
6 paid by the applicant.

7 P. It is unlawful for a person to remove or deface  
8 a notice posted in accordance with this section. A person  
9 convicted of a violation of this subsection shall be punished  
10 by a fine of not more than three hundred dollars (\$300) or by  
11 imprisonment in the county jail for not more than one hundred  
12 twenty days or by both.

13 Q. A person aggrieved by a decision made by the  
14 director as to the approval or disapproval of the issuance of a  
15 license may appeal to the district court pursuant to the  
16 provisions of Section 39-3-1.1 NMSA 1978. If the disapproval  
17 is based upon local option district disapproval pursuant to  
18 Subsection H of Section 60-6B-4 NMSA 1978, the local option  
19 district shall be a necessary party to an appeal. The decision  
20 of the director shall continue in force, pending a reversal or  
21 modification by the district court, unless otherwise ordered by  
22 the court."

23 SECTION 24. Section 60-6B-5 NMSA 1978 (being Laws 2015,  
24 Chapter 86, Section 2) is amended to read:

25 "60-6B-5. EXPIRATION AND RENEWAL OF LICENSES.--

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1           A. All licenses provided for in the Liquor Control  
2 Act, except for nonresident licenses and common carrier  
3 registrations, shall be issued for a one-year period except for  
4 new licenses issued after the beginning of the license year.  
5 Nonresident licenses and common carrier registrations shall be  
6 issued for a three-year period.

7           B. The license year for dispenser, ~~[retailer]~~  
8 package and canopy licenses shall end on June 30 of each year.  
9 All dispenser, ~~[retailer]~~ package and canopy licenses shall  
10 expire on June 30 unless renewed. The annual renewal  
11 application and renewal fee are due on April 1 of each year.

12           C. The license year for restaurant, club,  
13 wholesaler and manufacturer licenses shall end on October 31 of  
14 each year. All restaurant, club, wholesaler and manufacturer  
15 licenses shall expire on October 31 unless renewed. The annual  
16 renewal application and renewal fee are due on August 1 of each  
17 year.

18           D. All licenses not provided for in Subsections B  
19 and C of this section, except nonresident licenses and common  
20 carrier registrations, shall expire on February 28 of each  
21 year. The annual renewal application and renewal fee are due  
22 on December 1 of each year.

23           E. Nonresident licenses and common carrier  
24 registrations shall expire on June 30 every three years. The  
25 renewal application and renewal fee are due on April 1 of each

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1 third year.

2 F. A license shall not be issued or renewed if the  
3 applicant or licensee is delinquent in payment of any taxes  
4 administered by the taxation and revenue department.

5 G. The director shall also determine whether there  
6 exists any other reason why a license should not be renewed.

7 H. If the director determines that the license  
8 should not be renewed, the director shall enter an order  
9 requiring the licensee, after notice, to show cause why the  
10 license should be renewed, and the director shall conduct a  
11 hearing on the matter. If, after the hearing, the director  
12 finds that no reason exists why the license should not be  
13 renewed, the director shall renew the license."

14 SECTION 25. Section 60-6B-9 NMSA 1978 (being Laws 1981,  
15 Chapter 39, Section 75) is amended to read:

16 "60-6B-9. DISCONTINUANCE OF BUSINESS OR DEATH OF  
17 LICENSEE--JUDICIAL SALES.--

18 A. If a [~~retailer~~] package licensee, dispenser,  
19 canopy licensee, restaurant licensee, club licensee or  
20 governmental licensee or its lessee discontinues business for  
21 any reason or the licensee dies, the stock of alcoholic  
22 beverages owned at the time of the discontinuation of business  
23 or the death of the licensee may be sold in whole or in part to  
24 any other [~~retailer~~] package licensee, dispenser, canopy  
25 licensee, restaurant licensee, club licensee or governmental

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1 licensee or its lessee or to a New Mexico wholesaler without  
2 the seller incurring criminal or civil liability under the  
3 provisions of the Liquor Control Act.

4 B. If the stock of alcoholic beverages is sold  
5 under execution or attachment or by order of a court, the stock  
6 shall be sold only to other New Mexico ~~[retailers]~~ package  
7 licensees, dispensers, canopy licensees, restaurant licensees,  
8 club licensees, governmental licensees or their lessees or to a  
9 New Mexico wholesaler."

10 SECTION 26. Section 60-6B-11 NMSA 1978 (being Laws 1981,  
11 Chapter 39, Section 46) is amended to read:

12 "60-6B-11. LOCATIONS NEAR MILITARY INSTALLATIONS--  
13 RESTRICTIONS ON LICENSING.--Except for licenses issued prior to  
14 July 1, 1981, the director shall not issue ~~[retailer's]~~ package  
15 or dispenser's licenses where the licensed premises would be  
16 within one and one-half miles in any direction measured from  
17 the exterior boundaries of a United States military  
18 installation where United States military troops are domiciled.  
19 ~~[Provided]~~ However, such licenses may be issued or transferred  
20 subject to the discretion of the director for operation in an  
21 area within the one-and-one-half-mile limitation if a portion  
22 of the area lies within the incorporated limits of any  
23 municipality, but no license shall be issued for or transferred  
24 to a location within two hundred yards of any entrance to the  
25 military installation."

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1           SECTION 27. Section 60-6B-12 NMSA 1978 (being Laws 1981,  
2 Chapter 39, Section 113, as amended) is amended to read:

3           "60-6B-12. INTER-LOCAL OPTION DISTRICT AND INTER-COUNTY  
4 TRANSFERS.--

5           A. Dispenser's ~~[and retailer's]~~ licenses originally  
6 issued before July 1, 1981, except rural dispenser's ~~[and rural~~  
7 ~~retailer's]~~ licenses, ~~[and]~~ canopy licenses that were replaced  
8 by dispenser's licenses pursuant to Section 60-6B-16 NMSA 1978,  
9 retailer's licenses that were replaced by package licenses  
10 pursuant to this 2021 act and all package licenses issued on or  
11 after July 1, 2021 may be transferred to any location within  
12 the state, except class B counties having a population of  
13 between fifty-six thousand and fifty-seven thousand according  
14 to the 1980 federal decennial census, the municipalities  
15 located within those class B counties and any municipality or  
16 county that prohibits by election the transfer of a license  
17 from another local option district, without regard to the  
18 limitations on the maximum number of licenses provided in  
19 Section 60-6A-18 NMSA 1978, not otherwise contrary to law,  
20 subject to the approval of transferring locations of those  
21 liquor licenses by the governing body for that location;  
22 provided that the requirements of the Liquor Control Act and  
23 department regulations for the transfer of licenses are  
24 fulfilled; and provided further that

25                           ~~[(1) beginning in calendar year 1997, no more~~

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1 ~~than ten dispenser's or retailer's licenses shall be~~  
2 ~~transferred to any local option district in any calendar year;~~  
3 ~~and~~

4           (2)] the dispenser's or ~~retailer's~~ package  
5 licenses transferred under this section shall count in the  
6 computation of the limitation of the maximum number of licenses  
7 that may be issued in the future in any local option district  
8 as provided in Section 60-6A-18 NMSA 1978 for the purpose of  
9 determining whether additional licenses may be issued in the  
10 local option district under the provisions of Subsection H of  
11 Section 60-6B-2 NMSA 1978.

12           B. Transfer of location of a liquor license  
13 pursuant to Subsection A of this section shall become effective  
14 upon approval of the local governing body, unless within one  
15 hundred twenty days after the effective date of the Liquor  
16 Control Act a petition requesting an election on the question  
17 of approval of statewide transfers of liquor licenses into that  
18 local option district is filed with the clerk of the local  
19 option district and the petition is signed by at least five  
20 percent of the number of registered voters of the district.  
21 The clerk of the district shall verify the petition signatures.  
22 If the petition is verified as containing the required number  
23 of signatures of registered voters, the governing body shall  
24 adopt a resolution calling an election on the question of  
25 approving or disapproving statewide transfers of liquor

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1 licenses into that district. Notice of such election shall be  
2 published as provided in [~~Section 3-8-35 NMSA 1978~~] the Local  
3 Election Act, and the election shall be held within sixty days  
4 after the date the petition is verified or it may be held in  
5 conjunction with a regular election of the governing body if  
6 such election occurs within sixty days after the date of  
7 verification. If a majority of the registered voters of the  
8 district voting in such election votes to approve statewide  
9 transfers of liquor licenses into the local option district,  
10 each license proposing to be transferred shall be subject to  
11 the approval of the governing body. If the voters of the  
12 district voting in the election vote against the approval, then  
13 all statewide transfers of liquor licenses pursuant to  
14 Subsection A of this section shall be prohibited in that  
15 district, unless a petition is filed requesting the question be  
16 again submitted to the voters as provided in this subsection.  
17 The question of approving or disapproving statewide transfers  
18 of liquor licenses into the local option district shall not be  
19 submitted again within two years from the date of the last  
20 election on the question.

21 ~~[C. Any dispenser's license transferred pursuant to~~  
22 ~~this section outside its local option district shall only~~  
23 ~~entitle the licensee to sell, serve or permit the consumption~~  
24 ~~of alcoholic beverages by the drink on the licensed premises.~~

25 ~~D.]~~ C. Rural dispenser's, rural [~~retailer's~~]

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1 package and rural club licenses issued under any former act may  
2 be transferred to any location, subject to the restrictions as  
3 to location contained in the Liquor Control Act, within the  
4 unincorporated area of the county in which they are currently  
5 located; provided that [~~they shall not be transferred to any~~  
6 ~~location within ten miles of another licensed premises; and~~  
7 ~~provided further that~~] all requirements of the Liquor Control  
8 Act and department regulations for the transfer of licenses are  
9 fulfilled."

10 SECTION 28. Section 60-6B-19 NMSA 1978 (being Laws 1993,  
11 Chapter 68, Section 36, as amended) is amended to read:

12 "60-6B-19. [~~RETAILERS~~] PACKAGE LICENSEES AND DISPENSERS--  
13 SEGREGATED SALES--TABLE WINES EXCEPTED.--

14 A. Except as provided in Subsection B of this  
15 section, the director shall by rule develop procedures for  
16 segregated alcohol sales by every [~~retailer~~] package licensee  
17 or dispenser who sells alcoholic beverages in unbroken packages  
18 for consumption and not for resale off the licensed premises  
19 and whose sales are less than sixty percent of their total  
20 sales, giving serious consideration to the potentially adverse  
21 impact of segregated sales on different sizes of the  
22 establishments of the [~~retailer~~] package licensee or dispenser.  
23 The rules shall include:

24 (1) a provision to allow segregated sales of  
25 beer or cider that is packaged in a growler;

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1 (2) a procedure by which a [~~retailer~~] package  
2 licensee or dispenser may fill or refill a growler and allow  
3 the growler to be removed from the licensed premises after the  
4 growler is sealed with a tamper-proof seal and the customer's  
5 sales receipt is attached to the growler; and

6 (3) a requirement that a [~~retailer~~] package  
7 licensee or dispenser shall sterilize a growler provided by a  
8 customer before the growler is refilled and sealed.

9 B. There shall not be segregated sales of table  
10 wine by [~~retailers~~] package licensees or dispensers who sell  
11 alcoholic beverages in the manner described in Subsection A of  
12 this section.

13 C. For purposes of this section, "table wine" means  
14 wine containing fourteen percent or less alcohol by volume when  
15 bottled or packaged by the manufacturer, but may also include:

16 (1) wine that is sealed or capped by cork  
17 closure and aged two years or more;

18 (2) wine that contains more than fourteen  
19 percent alcohol by volume produced solely as a result of the  
20 natural fermentation process and not produced with the addition  
21 of wine spirits, brandy or alcohol; or

22 (3) vermouth and sherry."

23 SECTION 29. Section 60-6B-21 NMSA 1978 (being Laws 2015,  
24 Chapter 102, Section 8) is amended to read:

25 "60-6B-21. LICENSED [~~RETAILER~~] PACKAGE COOPERATIVES.--

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1           A. A person who holds a [~~retailer's~~] package  
2 license or a person who holds a dispenser's license and who is  
3 allowed to sell alcoholic beverages in unbroken packages that  
4 are for consumption off premises and are not for resale may  
5 form a cooperative with one or more other persons who hold a  
6 [~~retailer's~~] package or dispenser's license for the purposes of  
7 the advertisement or purchase of alcoholic beverages for retail  
8 sale.

9           B. The director shall promulgate rules to implement  
10 the provisions of this section, including the form for  
11 cooperative agreements."

12           SECTION 30. Section 60-7A-1 NMSA 1978 (being Laws 1981,  
13 Chapter 39, Section 47, as amended) is amended to read:

14           "60-7A-1. HOURS AND DAYS OF BUSINESS--SUNDAY SALES--  
15 CHRISTMAS DAY SALES--SALES FOR CONSUMPTION OFF THE LICENSED  
16 PREMISES--ELECTIONS.--

17           A. Provided that nothing in this section shall  
18 prohibit the consumption at any time of alcoholic beverages in  
19 guest rooms of hotels, alcoholic beverages shall be sold,  
20 served and consumed on licensed premises only during the  
21 following hours and days:

22                   (1) on Mondays from 7:00 a.m. until midnight;

23                   (2) on Tuesdays through Saturdays from after  
24 midnight of the previous day until 2:00 a.m., then from 7:00  
25 a.m. until midnight, except as provided in Subsections E and G

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1 of this section; and

2 (3) on Sundays only after midnight of the  
3 previous day until 2:00 a.m., except as provided in Subsections  
4 D and F of this section and Section 60-7A-2 NMSA 1978.

5 B. Except as provided in Subsection C of this  
6 section, alcoholic beverages may be sold by a dispenser or a  
7 [~~retailer~~] package licensee in unbroken packages, for  
8 consumption off the licensed premises and not for resale, only  
9 on Mondays through Saturdays from 7:00 a.m. until midnight,  
10 except as provided in Subsections E and G of this section.

11 C. The governing body of a local option district  
12 that is a class B county with a population greater than seventy  
13 thousand and less than seventy-six thousand according to the  
14 most recent federal decennial census or that is a municipality  
15 located within a class B county with a population greater than  
16 seventy thousand and less than seventy-six thousand according  
17 to the most recent federal decennial census may pass an  
18 ordinance to place restrictions, in addition to those provided  
19 in this section, on the hours during which a dispenser or  
20 [~~retailer~~] package licensee may sell alcoholic beverages in  
21 unbroken packages for consumption off the licensed premises and  
22 not for resale. The ordinance may restrict sales between 7:00  
23 a.m. and 10:00 a.m. and shall provide the hours between 7:00  
24 a.m. and 10:00 a.m., if any, during which a dispenser or  
25 [~~retailer~~] package licensee may sell alcoholic beverages in

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1 unbroken packages for consumption off the licensed premises and  
2 not for resale.

3 D. A dispenser, restaurant licensee or club may,  
4 upon payment of an additional fee of one hundred dollars  
5 (\$100), obtain a permit to sell, serve or permit the  
6 consumption of alcoholic beverages by the drink on the licensed  
7 premises on Sundays, subject to approval obtained pursuant to  
8 the process set forth in Subsection F of this section.

9 Alcoholic beverages may be sold, served and consumed from 11:00  
10 a.m. until midnight as set forth in the licensee's Sunday sales  
11 permit, and in those years when December 31 falls on a Sunday,  
12 from 11:00 a.m. until 2:00 a.m. of the following day, except as  
13 otherwise provided for a restaurant licensee in Section 60-6A-4  
14 NMSA 1978. The Sunday sales permit shall expire on June 30 of  
15 each year and may be renewed from year to year upon application  
16 for renewal and payment of the required fee. The permit fee  
17 shall not be prorated. Sales made pursuant to this subsection  
18 or Subsection H of this section shall be called "Sunday sales".

19 E. ~~[Retailers]~~ Package licensees, dispensers,  
20 canopy licensees that were replaced by dispenser's licensees  
21 pursuant to Section 60-6B-16 NMSA 1978, restaurant licensees,  
22 club licensees and governmental licensees or their lessees  
23 shall not sell, serve, deliver or allow the consumption of  
24 alcoholic beverages on the licensed premises from 2:00 a.m. on  
25 Christmas day until 7:00 a.m. on the day after Christmas,

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1 except as permitted pursuant to Subsection G of this section.

2 F. Sunday sales pursuant to the provisions of  
3 Subsection D of this section are permitted in a local option  
4 district that voted to permit them. If in that election a  
5 majority of the voters in a local option district voted "no" on  
6 the question "Shall Sunday sales of alcoholic beverages by the  
7 drink for consumption on the licensed premises of licensees be  
8 allowed in this local option district?", Sunday sales are  
9 unlawful in that local option district upon certification of  
10 the election returns unless the provisions of Subsection K of  
11 this section apply. The question shall not again be placed on  
12 the ballot in that local option district until at least one  
13 year has passed and:

14 (1) the local governing body of the local  
15 option district passes a resolution calling for the question to  
16 be placed on a regular election ballot or adopts a proclamation  
17 calling for the question to be placed before the voters in a  
18 special local election; or

19 (2) a petition is filed with the local  
20 governing body bearing the signatures of qualified electors of  
21 the local option district equal in number to ten percent of the  
22 number of votes cast and counted in the local option district  
23 for governor in the last preceding general election in which a  
24 governor was elected. The signatures on the petition shall be  
25 verified by the clerk of the county in which the local option

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1 district is situated.

2 G. On and after July 1, 2002, dispensers, canopy  
3 licensees that were replaced by dispenser's licensees pursuant  
4 to Section 60-6B-16 NMSA 1978, restaurant licensees, club  
5 licensees and governmental licensees or lessees of these  
6 licensees, provided that the licensees have current, valid food  
7 service establishment permits, may sell, serve or allow the  
8 consumption of alcoholic beverages by the drink on licensed  
9 premises from noon until 10:00 p.m. on Christmas day, except in  
10 a local option district in which, pursuant to election under  
11 this subsection, a majority of the voters voting on the  
12 question votes against continuing such sales or consumption on  
13 Christmas day. An election shall be held on the question of  
14 whether to continue to allow the sale, service or consumption  
15 of alcoholic beverages by the drink on licensed premises from  
16 noon until 10:00 p.m. on Christmas day in a local option  
17 district, if a petition requesting the governing body of that  
18 district to call the election is signed by at least ten percent  
19 of the registered voters of the district and is filed with the  
20 clerk of the governing body of the district. Upon verification  
21 by the clerk that the petition contains the required number of  
22 signatures of registered voters, the governing body shall pass  
23 a resolution calling for the question to be placed on a regular  
24 election ballot or adopt a proclamation calling for the  
25 question of allowing the sale, service or consumption of

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1 alcoholic beverages by the drink on licensed premises from noon  
2 until 10:00 p.m. on Christmas day to be placed before the  
3 voters in a special local election. The election may also be  
4 initiated by a resolution adopted by the governing body of the  
5 local option district without a petition from qualified  
6 electors having been submitted. The election shall be held  
7 pursuant to the Local Election Act. If a majority of the  
8 voters voting on the question votes against continuing the  
9 sale, service or consumption of alcoholic beverages by the  
10 drink on licensed premises from noon until 10:00 p.m. on  
11 Christmas day, then such sales and consumption shall be  
12 prohibited. If a majority of the voters voting on the question  
13 votes to allow continued sale, service and consumption of  
14 alcoholic beverages by the drink on licensed premises from noon  
15 until 10:00 p.m. on Christmas day, then such sales and  
16 consumption shall be allowed to continue. The question then  
17 shall not be submitted again to the voters within two years of  
18 the date of the last election on the question.

19 H. Notwithstanding the provisions of Subsection F  
20 of this section, any Indian nation, tribe or pueblo whose lands  
21 are wholly situated within the state that has, by statute,  
22 ordinance or resolution, elected to permit the sale, possession  
23 or consumption of alcoholic beverages on lands within the  
24 territorial boundaries of the Indian nation, tribe or pueblo  
25 may, by statute, ordinance or resolution of the governing body

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1 of the Indian nation, tribe or pueblo, permit Sunday sales by  
2 the drink on the licensed premises of licensees on lands within  
3 the territorial boundaries of the Indian nation, tribe or  
4 pueblo; provided that a certified copy of such enactment is  
5 filed with the office of the director and with the secretary of  
6 state.

7 I. Subject to the provisions of Subsection J of  
8 this section, a dispenser or ~~[retailer]~~ package licensee, upon  
9 payment of an additional fee of one hundred dollars (\$100), may  
10 obtain a permit to sell alcoholic beverages in unbroken  
11 packages for consumption off the licensed premises on Sundays  
12 from noon until midnight, and in those years when December 31  
13 falls on a Sunday, from noon on December 31 until 2:00 a.m. of  
14 the following day. The permit shall expire on June 30 of each  
15 year and may be renewed from year to year upon application for  
16 renewal and payment of the required fee. The permit fee shall  
17 not be prorated. Sales made pursuant to the provisions of this  
18 subsection shall be called "Sunday package sales".

19 J. If a petition requesting the governing body of a  
20 local option district to call an election on the question of  
21 continuing to allow sales of alcoholic beverages in unbroken  
22 packages for consumption off the licensed premises on Sundays  
23 is filed with the clerk of the governing body and that petition  
24 is signed by at least ten percent of the number of registered  
25 voters of the local option district and the clerk of the

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1 governing body verifies the petition signatures, the governing  
2 body shall pass a resolution calling for the question to be  
3 placed on a regular election ballot or adopt a proclamation  
4 calling for the question to be placed before the voters in a  
5 special local election on the question. The election may also  
6 be initiated by a resolution adopted by the governing body of  
7 the local option district without a petition from qualified  
8 electors having been submitted. The election shall be held  
9 within ninety days of the date that the petition is verified  
10 pursuant to the provisions of the Local Election Act; provided  
11 that the date of the election is not in conflict with the  
12 provisions of Section 1-24-1 NMSA 1978. If a majority of the  
13 voters of the local option district voting in the election  
14 votes to allow the sale of alcoholic beverages in unbroken  
15 packages for consumption off the licensed premises, then those  
16 sales shall continue to be allowed. If a majority of the  
17 voters of the local option district voting in the election  
18 votes not to allow the Sunday package sales, then those Sunday  
19 package sales shall be prohibited commencing the first Sunday  
20 after the results of the election are certified. Following the  
21 election, the question of allowing the Sunday package sales  
22 shall not be submitted again to the voters within two years of  
23 the date of the last election on the question.

24 K. Sunday sales of alcoholic beverages shall be  
25 permitted at resorts and at horse racetracks statewide pursuant

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1 to the provisions of Section 60-7A-2 NMSA 1978."

2 SECTION 31. Section 60-7A-9 NMSA 1978 (being Laws 1981,  
3 Chapter 39, Section 71, as amended) is amended to read:

4 "60-7A-9. CREDIT EXTENSION BY WHOLESALERS.--It is a  
5 violation of the Liquor Control Act for any wholesaler to  
6 extend credit or to agree to extend credit for the sale of  
7 alcoholic beverages to any [~~retailer~~] package licensee,  
8 dispenser, canopy licensee, restaurant licensee, club licensee  
9 or governmental licensee or its lessee for any period more than  
10 thirty calendar days from the date of the invoice required  
11 under the provisions of Section 60-8A-3 NMSA 1978. A violation  
12 of this section does not bar recovery by the wholesaler for the  
13 total indebtedness of the [~~retailer~~] package licensee,  
14 dispenser, canopy licensee, restaurant licensee, club licensee  
15 or governmental licensee or its lessee."

16 SECTION 32. Section 60-7A-10 NMSA 1978 (being Laws 1981,  
17 Chapter 39, Section 74, as amended) is amended to read:

18 "60-7A-10. WHOLESALERS PROHIBITED FROM OWNING [~~RETAILER'S~~  
19 ~~OR~~] DISPENSER'S OR PACKAGE LICENSEE'S ESTABLISHMENT.--

20 A. Except as provided in Subsection B of this  
21 section, it is a violation of the Liquor Control Act for a  
22 wholesaler, directly or indirectly or through an affiliate, to  
23 own, either in whole or in part, a business operated under a  
24 [~~retailer's~~] package or dispenser's license.

25 B. This section shall not prevent a wholesaler from

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1 owning a dispenser's license directly or indirectly or through  
2 an affiliate and operating a business itself or through an  
3 affiliate or a lessee under a dispenser's license if:

4 (1) the wholesaler, directly or indirectly,  
5 operates or controls an interest in an establishment or complex  
6 maintaining a minimum of one hundred sleeping rooms and having  
7 a resident of New Mexico as a proprietor or manager and where,  
8 in consideration of payment, meals and lodging are regularly  
9 furnished to the general public; and

10 (2) the sale of alcoholic beverages under the  
11 dispenser's license is restricted to their consumption on the  
12 licensed premises."

13 SECTION 33. Section 60-7A-11 NMSA 1978 (being Laws 1981,  
14 Chapter 39, Section 77, as amended) is amended to read:

15 "60-7A-11. OFFENSES BY ~~[RETAILERS]~~ PACKAGE LICENSEES.--It  
16 is a violation of the Liquor Control Act for ~~[any]~~ a [retailer]  
17 package licensee to:

18 A. allow or permit ~~[any]~~ alcoholic beverages to be  
19 consumed on ~~[his]~~ the package licensee's licensed premises;

20 B. maintain or keep in close proximity to the  
21 licensed premises ~~[any]~~ a place for the consumption of  
22 alcoholic beverages purchased from ~~[him]~~ the package licensee;

23 C. sell ~~[any]~~ alcoholic beverages at ~~[any]~~ a place  
24 other than ~~[his]~~ the package licensee's licensed premises;

25 D. sell, possess for the purpose of sale or to

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1 have, possess or keep on [~~his~~] the package licensee's licensed  
2 premises alcoholic beverages not contained in the unopened,  
3 original package;

4 E. buy or receive [~~any~~] alcoholic beverages from  
5 [~~any~~] a person other than a duly licensed New Mexico wholesaler  
6 or wine wholesaler for the purpose of or with the intent of  
7 reselling the alcoholic beverages; or

8 F. directly, indirectly or through [~~any~~] a  
9 subterfuge own, operate or control [~~any~~] an interest in [~~any~~] a  
10 wholesale liquor establishment or liquor manufacturing or wine  
11 bottling firm; provided that this subsection shall not prevent  
12 a retailer from owning stock in [~~any~~] a corporation [~~which~~]  
13 that wholesales, manufactures or bottles alcoholic beverages  
14 when [~~he~~] the package licensee owns the stock for investment  
15 purposes only."

16 SECTION 34. Section 60-7B-10 NMSA 1978 (being Laws 1981,  
17 Chapter 39, Section 90, as amended) is amended to read:

18 "60-7B-10. MINORS IN LICENSED PREMISES--REGULATIONS.--

19 A. Any person licensed pursuant to the provisions  
20 of the Liquor Control Act or any employee, agent or lessee of  
21 that person who permits a minor to enter and remain in any area  
22 of a licensed premises that is prohibited to the use of minors  
23 is guilty of a violation of the Liquor Control Act.

24 B. A minor shall not enter or attempt to enter any  
25 area of a licensed premises that is posted or otherwise

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1 identified as being prohibited to the use of minors, except as  
2 authorized by regulation or as necessitated by an emergency. A  
3 person who violates the provisions of this subsection is guilty  
4 of a petty misdemeanor and shall be punished pursuant to the  
5 provisions of Section 31-19-1 NMSA 1978.

6 C. The director of the [~~alcohol and gaming~~]  
7 alcoholic beverage control division of the regulation and  
8 licensing department shall adopt regulations classifying the  
9 types of licensed premises or areas of licensed premises where  
10 minors may be present. The director shall require that signs  
11 issued by the division be posted by licensees to inform the  
12 public, including minors, of the areas in licensed premises  
13 that are open to minors. The regulations may allow minors in  
14 those areas of licensed premises where:

15 (1) the consumption of alcoholic beverages is  
16 the primary activity, when a minor is accompanied by a parent,  
17 adult spouse or legal guardian;

18 (2) there is no consumption of alcoholic  
19 beverages; or

20 (3) the minor is at least eighteen years of  
21 age and licensed under the New Mexico Commercial Driver's  
22 License Act and is making a delivery of packaged alcoholic  
23 beverages to a holder of a dispenser's, [~~retailer's~~] package,  
24 restaurant, club, small brewer, winegrower, craft distiller,  
25 manufacturer's or rectifier or any other license that allows

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1 for the purchase and delivery of alcoholic beverages."

2 SECTION 35. Section 60-7B-11 NMSA 1978 (being Laws 1981,  
3 Chapter 39, Section 91, as amended) is amended to read:

4 "60-7B-11. EMPLOYMENT OF MINORS.--

5 A. Except as provided in Subsection B or C of this  
6 section, it is a violation of the Liquor Control Act for any  
7 person licensed pursuant to the provisions of the Liquor  
8 Control Act or for any employee, agent or lessee of that person  
9 knowingly to employ or use the service of any minor in the sale  
10 and service of alcoholic beverages.

11 B. A person holding a dispenser's, restaurant or  
12 club license may employ persons nineteen years of age or older  
13 to sell or serve alcoholic beverages in an establishment that  
14 is held out to the public as a place where meals are prepared  
15 and served and the primary source of revenue is food, and where  
16 the sale or consumption of alcoholic beverages is not the  
17 primary activity, except that a person under twenty-one years  
18 of age shall not be employed as a bartender.

19 C. A person holding a wholesaler's license may  
20 employ persons eighteen years of age or older who are licensed  
21 pursuant to the New Mexico Commercial Driver's License Act to  
22 engage in activities customary to warehouse operations and to  
23 handle and deliver alcoholic beverages to licensees holding a  
24 dispenser's, [~~retailer's~~] package, restaurant, club, small  
25 brewer, winegrower, craft distiller, manufacturer's, rectifier

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1 or any other license that allows for the purchase and delivery  
2 of alcoholic beverages by a licensed wholesaler, as long as the  
3 minor delivers sealed, unbroken packages, including containers  
4 such as bottles, cans and kegs. A person under the age of  
5 twenty-one shall not be allowed to sample alcoholic beverages  
6 to accounts."

7 SECTION 36. Section 60-7B-12 NMSA 1978 (being Laws 1989,  
8 Chapter 140, Section 1) is amended to read:

9 "60-7B-12. BEER KEGS--LABELING--NOTICE.--

10 A. Every keg ~~[which]~~ that is sold by a ~~[retailer]~~  
11 package licensee shall be labeled by the ~~[retailer]~~ package  
12 licensee in a manner prescribed by the superintendent of  
13 regulation and licensing with the name and address of the  
14 ~~[retailer]~~ package licensee and a control number assigned to  
15 that keg by the ~~[retailer. Retailers]~~ package licensee.  
16 Package licensees shall record the name and address and date of  
17 birth of the purchaser, the control number and the date of  
18 purchase for every keg sold on the notice form required by  
19 Subsection B of this section.

20 B. The superintendent of regulation and licensing  
21 shall prescribe a suitable notice form, which shall include the  
22 pertinent provisions of Chapter 60, Article 7B NMSA 1978 and  
23 the penalty for violating the provisions of Chapter 60, Article  
24 7B NMSA 1978. The notice form shall also contain a place for  
25 the name, address and driver's license number or other suitable

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1 identification for the person purchasing the keg. Every person  
2 who buys a keg at retail shall sign the form acknowledging that  
3 they have read the form. The signed forms shall be kept by the  
4 [~~retailer~~] package licensee until the keg is returned to that  
5 [~~retailer~~] package licensee, or six months, whichever is less,  
6 and shall be made available to law enforcement officials upon  
7 request.

8 C. As used in this section, "keg" means a package  
9 of beer containing more than six gallons of beer at the time it  
10 is sold."

11 SECTION 37. Section 60-8A-1 NMSA 1978 (being Laws 1981,  
12 Chapter 39, Section 60, as amended) is amended to read:

13 "60-8A-1. UNFAIR COMPETITION--EXCLUSIVE OUTLET--TIED  
14 HOUSE--CONSIGNMENT SALES.--It is unlawful for an importer,  
15 manufacturer, nonresident licensee or any kind or class of  
16 wholesaler, directly or indirectly, or through an affiliate:

17 A. to require by agreement or otherwise that a  
18 wholesaler, [~~retailer~~] package licensee, dispenser, canopy  
19 licensee, restaurant licensee, club licensee or governmental  
20 licensee or its lessee engaged in the sale of alcoholic  
21 beverages in the state purchase alcoholic beverages from that  
22 person to the exclusion in whole or in part of alcoholic  
23 beverages sold or offered for sale by other persons;

24 B. to induce through any of the following means, a  
25 wholesaler, [~~retailer~~] package licensee, dispenser, canopy

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1 licensee, restaurant licensee, club licensee or governmental  
2 licensee or its lessee engaged in the sale of any kind or class  
3 of alcoholic beverages to purchase alcoholic beverages from  
4 that person to the exclusion in whole or in part of alcoholic  
5 beverages sold or offered for sale by other persons:

6 (1) by acquiring or holding, after the  
7 expiration of an existing license, an interest in a license  
8 with respect to the premises of the wholesaler, ~~[retailer]~~  
9 package licensee, dispenser, canopy licensee, restaurant  
10 licensee, club licensee or governmental licensee or its lessee;

11 (2) by acquiring an interest in real or  
12 personal property owned, occupied or used by a wholesaler,  
13 ~~[retailer]~~ package licensee, dispenser, restaurant licensee or  
14 club licensee in the conduct of the buying wholesaler's,  
15 ~~[retailer's]~~ package licensee's, dispenser's, canopy  
16 licensee's, restaurant licensee's, club licensee's or  
17 governmental licensee's or its lessee's business, subject to  
18 exceptions that the director may prescribe, having due regard  
19 for the free flow of commerce, the purposes of this subsection  
20 and established trade customs not contrary to the public  
21 interest;

22 (3) by furnishing, giving, renting, lending or  
23 selling to a wholesaler, ~~[retailer]~~ package licensee,  
24 dispenser, canopy licensee, restaurant licensee, club licensee  
25 or governmental licensee or its lessee equipment, fixtures,

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1 signs, supplies, money, services or other thing of value,  
2 subject to exceptions that the director may by regulation  
3 prescribe, having due regard for public health and welfare, the  
4 quantity and value of the articles involved and established  
5 trade customs not contrary to the public interest and the  
6 purposes of this subsection;

7 (4) by paying or crediting the wholesaler,  
8 [~~retailer~~] package licensee, dispenser, canopy licensee,  
9 restaurant licensee, club licensee or governmental licensee or  
10 its lessee for advertising, display or distribution services;

11 (5) by requiring a wholesaler, [~~retailer~~]  
12 package licensee, dispenser, canopy licensee, restaurant  
13 licensee, club licensee or governmental licensee or its lessee  
14 to take and dispose of a certain quota or combination of  
15 alcoholic beverages; or

16 (6) by commercial bribery by offering or  
17 giving a bonus, premium or compensation to an officer,  
18 employee, agent or representative of a wholesaler, [~~retailer~~]  
19 package licensee, dispenser, canopy licensee, restaurant  
20 licensee, club licensee or governmental licensee or its lessee;  
21 or

22 C. to sell, offer for sale or contract to sell to a  
23 [~~retailer~~] package licensee, dispenser, canopy licensee,  
24 restaurant licensee, club licensee or governmental licensee or  
25 its lessee alcoholic beverages of any kind or class on

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1 consignment or under a conditional sale or on a basis other  
2 than a bona fide sale; provided that this subsection shall not  
3 apply to transactions involving solely the bona fide return of  
4 alcoholic beverages for ordinary and usual commercial reasons  
5 arising after the alcoholic beverages have been sold, including  
6 a return of alcoholic beverages that are at or near spoilage or  
7 expiration date or that were damaged by the wholesaler, but not  
8 including a return of alcoholic beverages that were damaged by  
9 any other licensee or any other licensee's employees or  
10 customers."

11 SECTION 38. Section 60-8A-3 NMSA 1978 (being Laws 1981,  
12 Chapter 39, Section 70) is amended to read:

13 "60-8A-3. INVOICES.--Whenever a New Mexico wholesaler  
14 delivers [~~any item of~~] alcoholic beverages to a New Mexico  
15 [~~retailer~~] package licensee, dispenser, canopy licensee,  
16 restaurant licensee, club licensee or governmental licensee or  
17 its lessee, the delivery shall be accompanied by an invoice  
18 [~~which~~] that accurately and clearly shows the date of the sale  
19 and the quantity of each item of merchandise delivered. The  
20 [~~retailer~~] package licensee, dispenser, canopy licensee,  
21 restaurant licensee, club licensee or governmental licensee or  
22 its lessee receiving the alcoholic beverages shall retain the  
23 invoice for a period of two years. The invoices shall be open  
24 for inspection and examination by [~~any~~] an employee of the  
25 department or the taxation and revenue department during all

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1 usual business hours."

2 SECTION 39. Section 60-8A-5 NMSA 1978 (being Laws 1981,  
3 Chapter 39, Section 76) is amended to read:

4 "60-8A-5. DEBTS FOR MERCHANDISE SOLD IN VIOLATION OF LAW  
5 UNENFORCEABLE--NO GARNISHMENT ON SALES BY RETAILERS AND  
6 DISPENSERS.--No action shall be maintained or a garnishment or  
7 attachment be issued to collect any debt for merchandise sold,  
8 served or delivered in violation of the Liquor Control Act. No  
9 writ of garnishment shall issue where the debt or obligation or  
10 the cause of action in the original suit or the garnishment  
11 action is founded upon the sale or purchase of alcoholic  
12 beverages by or from a [~~retailer~~] package licensee or dispenser  
13 as defined in Section [~~3 of that act~~] 60-3A-3 NMSA 1978."

14 SECTION 40. Section 60-8A-17 NMSA 1978 (being Laws 1981,  
15 Chapter 39, Section 67, as amended) is amended to read:

16 "60-8A-17. DETERMINATION OF LOWEST PRICE.--In determining  
17 the lowest price for which any item of spirituous liquors was  
18 sold in any other state or in the District of Columbia or to  
19 any state or state agency [~~which~~] that owns and operates retail  
20 liquor stores, appropriate reductions shall be made to reflect  
21 all discounts in excess of those to be in effect under the  
22 schedule, and all rebates, free goods, allowances and other  
23 inducements of any kind whatsoever offered or given to any such  
24 wholesaler, state or state agency or [~~retailer~~] package  
25 licensee, as the case may be, purchasing the item in the other

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1 state or in the District of Columbia. Nothing contained in  
2 Sections 60-8A-12 through 60-8A-19 NMSA 1978 shall prevent  
3 differentials in price [~~which~~] that make only due allowance for  
4 differences in state taxes and fees and in the actual cost of  
5 delivery. As used in this section, "state taxes and fees"  
6 means the excise taxes imposed or the fees required by any  
7 state or the District of Columbia upon, or based upon, the  
8 liter of spirituous liquors."

9 SECTION 41. REPEAL.--Section 60-6A-34 NMSA 1978 (being  
10 Laws 2013, Chapter 150, Section 1 and Laws 2013, Chapter 159,  
11 Section 1) is repealed.

12 SECTION 42. EFFECTIVE DATE.--The effective date of the  
13 provisions of this act is July 1, 2021.