

<b>LFC Requester:</b>	<b>Faubion</b>
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**AGENCY BILL ANALYSIS  
2023 REGULAR SESSION**

**SECTION I: GENERAL INFORMATION**

*Check all that apply:*

**Original**     **Amendment**      
**Correction**     **Substitute**   

**Date Prepared:** 01/30/23  
**Bill No:** [HB230](#)

<b>Sponsor:</b> <u>Ferrary</u>	<b>Agency Name and Code</b>	<b>Number:</b> <u>PED - 924</u>
<b>Short Title:</b> <u>LIQUOR TAX RATES AND DIFFERENTIALS</u>	<b>Person Writing</b>	<u>Gregory Frostad</u>
	<b>Phone:</b> <u>505-470-5752</u>	<b>Email</b> <u>gregory.frostad@ped.nm.gov</u>

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
None	\$200.0	Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY23	FY24	FY25		
None	Undetermined	Undetermined	Recurring	Alcohol Harms Alleviation Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	None	Undetermine	Undetermined	Undetermined	Recurring	NFA

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates: [SB259, Liquor Tax Rates and Differentials](#)

Duplicates/Relates to Appropriation in the General Appropriation Act: None

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis: House Bill 230 (HB230) would create the alcohol harms alleviation fund, a reverting fund in the state treasury, comprised of appropriations, distributions, gifts, grants, donations,

bequests, and income from investment of the fund. HB230 would also distribute a percentage of net receipts attributable to liquor excise tax to the fund. The fund would be subject to appropriation by the Legislature to the Human Services Department (HSD), Department of Health (DOH), Early Childhood Education and Care Department (ECECD), Public Education Department (PED), and Higher Education Department (HED).

### **FISCAL IMPLICATIONS**

HB230 would appropriate \$200,000 from the General Fund to the Department of Finance Administration (DFA) for expenditure in FY24. Any unencumbered or unexpended balance remaining at the end of FY24 would revert to the general fund.

Beginning in FY24 the Legislature would be able to appropriate funds from the Alcohol Harms Alleviation Fund to PED and other state agencies.

### **SIGNIFICANT ISSUES**

Money in the fund may be appropriated by the Legislature to PED and the other named agencies for a number of purposes, including:

- Alcohol harm prevention, treatment, and recovery services;
- Behavioral health treatment for justice-involved persons not covered by Medicaid or other insurance;
- Addressing social determinants of health related to alcohol misuse;
- Support for victims of alcohol-related crimes; and
- Prevention of and reduction of alcohol-related harm on Indian land among the state's nations, tribes, and pueblos.

### **PERFORMANCE IMPLICATIONS**

N/A

### **ADMINISTRATIVE IMPLICATIONS**

It would be challenging for PED to plan in some regards without knowing what (if any) funds will be appropriated for the purposes listed above in any given fiscal year. Continuity would not be guaranteed for any programs or projects created using this funding.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Duplicates: [SB259, Liquor Tax Rates and Differentials](#)

### **TECHNICAL ISSUES**

N/A

### **OTHER SUBSTANTIVE ISSUES**

N/A

### **ALTERNATIVES**

N/A

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

N/A

### **AMENDMENTS**

N/A