We have concerns about the following items in the proposed rules:

**1)    Rule Restricting Delivery by County & Local Option District**

**2)    Rule Restricting Delivery for Restaurants/Omission of Spirits**

**1) Rule Restricting Delivery by County & local Option District**

In HB 255, Section 4: The legislature created the ability for businesses in New Mexico to deliver alcohol. In this section there is no mention of a geographical limit to delivery within the state, though a similar but less restrictive rule was included in another bill which was not taken up. The sponsors intentionally left it out HB 255, which was voted on and passed by our elected representatives.

Under E. of Section 4, statute states: “The director shall promulgate rules to implement the provisions of this section, which shall include the following requirements and restrictions:” While a series of restrictions are called for by the statute, there is no call there for or mention of delivery boundaries.

A geographical restriction has been included in the proposed rules.

**We request that the rules directly follow the statute and allow for statewide delivery for the following reasons:**

**Disadvantage to Rural Businesses:** One of the goals of this legislation, which was discussed at great length during the session, is to help New Mexico businesses grow. Allowing businesses to deliver only in their county & LOD creates a competitive disadvantage for rural businesses. Distilleries, breweries, and wineries that are in rural counties with low populations, where jobs and economic development are arguably most needed and important, will be cut off from selling to the bulk of customers in the state, who are concentrated in the urban centers.

**Impact on Economy in Rural Areas:** The ability for these businesses to sell products to consumers in the urban centers would move dollars from urban areas to rural areas and to businesses that are manufacturing value added goods, resulting in additional revenue and opportunity throughout the state, and not just in the three largest cities.

**Impact on Consumers in Rural Areas:** New Mexican consumers who live in rural parts of the state will likewise be disadvantaged. They will be unable to order products, made in New Mexico, from producers around the state, and will be limited to what is available in their county only.

**2) Rule Restricting Delivery for Restaurants/Omission of Spirits**

We are also concerned about the restrictions for deliveries by restaurants under the proposed rules.

In the statute, it is specified that restaurants can deliver: “seven hundred fifty milliliters of wine, six twelve-ounce containers of prepackaged wine, beer, cider or **spirituous liquors** or one locally produced growler.” In the proposed rules the words “spirituous liquors” have been omitted.

**We again request that the rules directly follow the statute.**

The ability to deliver pre-made cocktails is another direct benefit not only to New Mexico restaurants but to value added manufacturing in New Mexico by New Mexico distillers who are creating many such beverages.

Thank you for your time and attention to our concerns,

Anna Jones & Robert Houston

505 Spirits