### SENATE BILL 763

### 44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

#### INTRODUCED BY

#### Roman Maes III

#### AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE.

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

. 127638. 1

## FORTY-FOURTH LEGI SLATURE FI RST SESSI ON, 1999

February 23, 1999

Mr. President:

Your CORPORATIONS & TRANSPORTATION COMMITTEE, to whom has been referred

#### SENATE BILL 763

has had it under consideration and reports same with recommendation that it DO NOT PASS, but that

# SENATE CORPORATIONS AND TRANSPORTATION COMMITTEE SUBSTITUTE FOR SENATE BILL 763

DO PASS, and further recommends that it now be referred to the COMMITTEES' COMMITTEE thence the PUBLIC AFFAIRS COMMITTEE.

. 127638. 1

### Respectfully submitted, Roman M. Maes, Chairman Adopted\_\_\_\_\_\_ Not Adopted\_\_\_\_\_ (Chi ef Clerk) (Chief Clerk) Date \_\_\_\_\_ The roll call vote was $\underline{5}$ For $\underline{0}$ Against Yes: No: Excused: Kidd, Macias, McKibben, Robinson Abstained: Maloof Absent: None S0763CT1

. 127638. 1

# SENATE CORPORATIONS AND TRANSPORTATION COMMITTEE SUBSTITUTE FOR SENATE BILL 763

### 44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

#### AN ACT

RELATING TO PUBLIC PEACE, HEALTH AND SAFETY; REVISING THE DEFINITION OF "SUPPLIER" FOR THE PURPOSE OF FRANCHISE AGREEMENTS ENTERED INTO PURSUANT TO THE LIQUOR CONTROL ACT.

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

Section 1. Section 60-8A-7 NMSA 1978 (being Laws 1981, Chapter 39, Section 54, as amended) is amended to read:

"60-8A-7. FRANCHISES--DEFINITIONS.--As used in Sections 60-8A-7 through 60-8A-11 NMSA 1978:

A. "franchise" means a contract or agreement, either expressed or implied, whether written or oral, between a supplier and wholesaler, wherein:

- (1) a commercial relationship of definite duration or continuing indefinite duration is involved; and
  - (2) the wholesaler is granted the right to buy

and to offer, sell and distribute within this state or any designated area thereof such of the supplier's brand of packaged alcoholic beverages as may be agreed upon;

### B. "good cause":

- (1) includes failure by the wholesaler to substantially comply with the essential and reasonable provisions of a contract, agreement or understanding with a supplier:
- (2) includes use of bad faith on the part of the wholesaler in carrying out the terms of the franchise; and
- (3) does not include failure or refusal on the part of the wholesaler to engage in any trade practice, conduct or activity [which] that may result in a violation of any federal law or regulation or any law or regulation of this state;
- C. "supplier" means any person, partnership, corporation or other form of business enterprise engaged in business as a manufacturer, importer, broker, [or] agent or their successors or assigns which distributes any or all of its brands of alcoholic beverages through licensed wholesalers in this state;
- D. "termination" includes any substantial alteration or modification of the provisions of the franchise; and
- E. "good faith" means honesty in fact in the conduct or transaction concerned and the observance of reasonable commercial standards of fair dealing in the trade as evidenced by all surrounding circumstances."

- 5 -

[bracketed\_material] = delete

underscored material = new

_	ete
new	del
Ш	II
material	material
underscored	bracketed

3		
4	FORTY- FOURTH LEGI	SLATURE
5	FIRST SESSION,	1999
6	,	

February 27, 1999

Mr. President:

Your COMMITTEES' COMMITTEE, to whom has been referred

# SENATE CORPORATIONS AND TRANSPORTATION COMMITTEE SUBSTITUTE FOR SENATE BILL 763

has had it under consideration and reports same WITHOUT RECOMMENDATION, and thence referred to the PUBLIC AFFAIRS COMMITTEE.

Respectfully submitted,

underscored material = new
[bracketed material] = delete

SCORC/SB 763

## FORTY-SECOND LEGISLATURE

1		SECOND SESSION	
2	KEYBOARD(TYPE SLUGS)		Page 8
3	RETBORIED (TITE SECUS)		ruge
4			
5			
6		Manny M. Aragon, C	
7		y o	
8 9			
10	Adopted	Not Adopted	
11	(Chief Clerk)	•	(Chief Clerk)
12			
13			
14	Date _		
15			
16			
17			
18			
19			
20			
21	S0763CC1		
22			
23			
24			
25			
	. 127868. 2		

# FORTY-SECOND LEGISLATURE SECOND SESSION

1	SECOND SESSION
2	KEYBOARD(TYPE SLUGS) Page 9
3	
4	FORTY- FOURTH LEGI SLATURE
5	FIRST SESSION, 1999
6	
7	
8	March 1, 1999
9	
10	Mr. President:
11	
12	Your PUBLIC AFFAIRS COMMITTEE, to whom has been referred
13	Tour 10000 Include College, to whom has been referred
14	SENATE CORPORATIONS AND TRANSPORTATION COMMITTEE
15	
16	SUBSTITUTE FOR SENATE BILL 763
17	
18	has had it under consideration and reports same with recommendation
19	that it DO PASS.
20	
21	Respectfully submitted,
22	
23	
24	
25	

SCORC/SB 763

# FORTY-SECOND LEGISLATURE

1		SEC	OND SESSION			
2	KENDUVDU	(TVDE SILICS)			Dago	10
3	RE I DUARD	(TYPE SLUGS)	Cl. D.I.	Cl. ·	Page	10
4			Shannon Robi nson,	Chai rman		
5						
6						
7	Adonted		Not Adopted			
8	nuopeeu_	(Chief Clerk)	not haopteu	(Chief Clerk)		
10						
11						
12		Date				
13						
14						
15	The roll	call vote was <u>4</u> For	1 Against			
16	Yes:	4				
17	No:	Ingle				
18	Excused:	Boitano, Garcia, Stoc	kard, Smith			
19	Absent:	None				
20						
21	S0763PA1					
22						
23						
24						
25						
	. 127868	8. 2				