

**TITLE 15        GAMBLING AND LIQUOR CONTROL**  
**CHAPTER 11    ALCOHOLIC BEVERAGES LICENSING**  
**PART 23        LICENSES AND PERMITS – CHANGE IN LICENSEE**

**15.11.23.1        ISSUING AGENCY:** The New Mexico Regulation and Licensing Department, Alcoholic Beverage Control Division.  
[15.11.23.1 NMAC - Rp, 15 NMAC 11.2.3.1, 4/25/2017; A, 9/28/2021]

**15.11.23.2        SCOPE:** These rules apply to all licensees and applicants for licensure under the act, and to persons who obtain possession of a liquor license through death, foreclosure or bankruptcy.  
[15.11.23.2 NMAC - Rp, 15 NMAC 11.2.3.2, 4/25/2017]

**15.11.23.3        STATUTORY AUTHORITY:** Section 60-3A-10 NMSA 1978 of the act authorizes the director to make and adopt such rules as necessary to carry out the duties of the division.  
[15.11.23.3 NMAC - Rp, 15 NMAC 11.2.3.3, 4/25/2017]

**15.11.23.4        DURATION:** Permanent.  
[15.11.23.4 NMAC - Rp, 15 NMAC 11.2.3.4, 4/25/2017]

**15.11.23.5        EFFECTIVE DATE:** April 25, 2017, unless a later date is cited at the end of a section.  
[15.11.23.5 NMAC - Rp, 15 NMAC 11.2.3.5, 4/25/2017]

**15.11.23.6        OBJECTIVE:** This rule is intended to establish criteria and procedures for reporting changes in ownership, structure, or name of a licensee, including changes or transfers resulting from death, foreclosure or bankruptcy of a licensee, and transfers within a local option district.  
[15.11.23.6 NMAC - Rp, 15 NMAC 11.2.3.6, 4/25/2017]

**15.11.23.7        DEFINITIONS:** Unless otherwise defined in 15.10.2 NMAC, terms used in this rule has the same meanings as set forth in the act.  
[15.11.23.7 NMAC - Rp, 15 NMAC 11.2.3.7, 4/25/2017]

**15.11.23.8        CHANGE OF OWNERSHIP:**

**A.** All licensees must notify the division of any reportable change of ownership of the licensee or agent lessee by filing an application for change in ownership with the division, together with the filing fee shown on the fee schedule of these rules. The division shall determine whether the reportable change of ownership requires an application for change in ownership or an application for change in structure.

**B.** A reportable change of ownership in a transferrable license arises when any of the following events occurs since the last application was filed with the division:

(1) if the licensee is a corporation: when a total of ten percent or more of its stock is transferred, when an existing stockholder previously not disclosed, pursuant to Section 60-6B-2 of the act, NMSA 1978, now holds ten percent or more stock in licensee or when there is a merger or consolidation of the licensee with another entity;

(2) if the licensee is a limited liability company: when ten percent or more of the membership interests are transferred, when an existing member previously not disclosed, pursuant to Section 60-6B-2 of the act, NMSA 1978, now holds ten percent or more of the membership interest in licensee or when there is a merger or consolidation of the licensee with another entity;

(3) if the licensee is a general partnership: when there is any change or removal of any general partners;

(4) if the licensee is a limited partnership: when there is any change of general partners, or any change of limited partners contributing ten percent or more of the total value of the contributions made to the limited partnership or any change in the limited partners entitled to ten percent or more of the profits earned, or other compensation by way of income paid by the limited partnership;

(5) if the licensee is a trust: when there is any change in the trustees or beneficiaries; or

(6) if the licensee is any other legal entity that is not a corporation, limited liability company, general partnership, or limited partnership: any person or entity becomes the owner of ten percent or more interest

through one or more transactions or when a total of ten percent or more interest in the licensee entity or license has been transferred.

[15.11.23.8 NMAC - Rp, 15 NMAC 11.2.3.8, 4/25/2017; A, 9/28/2021]

**15.11.23.9 REPORTABLE CHANGE IN STRUCTURE:**

**A.** All licensees must notify the division of reportable changes in the structure of the licensee by filing an application with the division, together with the filing fee shown on the fee schedule of these rules.

**B.** A change in structure arises when the persons or entities with ultimate ownership interests in a license do not change, but the means by which they exercise control will change. A reportable change in structure is limited to any of the following events:

- (1) any change of manager;
- (2) any change in a principal officer or directors of a licensee that is a corporation or limited liability company;
- (3) any change in the legal entity under which the licensee operates, for example, an individual licensee changing to a corporation which is wholly-owned by the same licensee or between corporate entities wholly owned by the same licensee;
- (4) any change in general partners, or in limited partners who already own ten percent or more, of a partnership;
- (5) any change in ownership between the shareholders who continue to own ten percent or more of any corporate entity;
- (6) a change in subsidiary ownership within the same parent company;
- (7) any change in the trustee or beneficiary of a trust who has control over trust property and income or receives substantial and regular distributions from the trust; or
- (8) when a manager, principal officer or director, shareholders or partners appoint a power of attorney in relation to the license.

**C.** A reportable change of structure required by this section does not require a hearing by the division or by the local governing body. A reportable change of structure may require compliance with Section 60-6B-2 of the act, NMSA 1978.

**D.** The division must be notified within 30 days of a reportable change in structure by filing application for change of structure and providing all documents and information the division deems necessary to ensure full disclosure and qualification of all persons and entities.

[15.11.23.9 NMAC - N, 4/25/2017; A, 9/28/2021]

**15.11.23.10 PROHIBITED CHANGES IN OWNERSHIP OR STRUCTURE:**

**A.** A person may not hold a ten percent or more interest in a license when such person would not satisfy the requirements of Sections 60-6B-1 or 60-6B-1.1 NMSA 1978.

**B.** A noncitizen may hold an interest in a license, subject to other qualifications provided in the act and these rules, unless the director determines that holding such interest in a license would be contrary to the public health, safety and morals of the state, or any community therein.

**C.** This rule does not authorize the transfer of any stock or other ownership interest of any licensee whose license is not otherwise transferable under the provisions of the act.

**D.** The director, upon notification of any change in ownership or structure, may require any entity or person who has obtained an interest in any license, or other entity, to complete and provide all documents and information the director deems necessary to ensure full disclosure and qualification of all persons and entities.

**E.** No license will be issued when the applicant is delinquent in the payment of any taxes, fees, fines, costs or penalties collected by the state of New Mexico, the liability for which arises out of the exercise of the privilege of a liquor license; or if citations for violations of the act are unresolved at the time of filing the application.

[15.11.23.10 NMAC - N, 4/25/2017]

**15.11.23.11 CORPORATION NAME CHANGE; BUSINESS NAME CHANGE:**

**A.** A licensee that is a corporation that changes the name of the corporation must file a written notification with the division, together with a fee of fifty dollars (\$50). The licensee must also file with the division a copy of the certificate of the amended articles of incorporation issued by the state in which the corporation was formed reflecting the name change. The name change must also be registered with the state of New Mexico.

**B.** Any licensee that changes the doing business name under which it operates a liquor license must file an application for change of DBA (“doing business as”) name with the division together with the application filing fee.

**C.** If the division deems the name change acceptable, the division shall change the name on its records and issue a license which reflects the new name. The licensee may not use the new name until a license is issued.

**D.** Upon receipt of the license reflecting the new name, the licensee shall return the old license to the division.

[15.11.23.11 NMAC - Rp, 15 NMAC 11.2.3.9, 4/25/2017]

**15.11.23.12 TRANSFER OR CHANGE OF OWNERSHIP UPON DEATH, FORECLOSURE, OR BANKRUPTCY:**

**A.** Dispenser's licenses and retailer's licenses may be transferred as personal property upon attachment, execution, repossession by a secured party or lien holder, foreclosure by a creditor, appointment of a receiver for the licensee, death of the licensee, filing of a petition of bankruptcy by or for the licensee, incapacity of the licensee or dissolution of the licensee.

**B.** Any receiver, trustee, conservator, personal representative, special master or other person who obtains control over a license, shall notify the division within 30 days of his or her appointment by filing an application including fees and providing the division with all relevant documents relating to the appointment, which may include but not be limited to, death certificates, wills, and court orders.

**C.** The division will presume that such person or entity will intend to operate said license if the license is not placed into voluntary suspension pursuant to Section 60-6B-7 NMSA 1978 within 30 days of the event that resulted in possession, except in cases where the person or entity is:

- (1) a special master appointed by a court; or
- (2) a financial institution.

**D.** Any subsequent transfer by a person who obtains possession of a license because of circumstances described in this section shall be subject to all provisions of the act relating to the transfer of licenses.

**E.** No license will be issued when the applicant is delinquent in the payment of any taxes, fees, fines, costs or penalties collected by the state of New Mexico, the liability for which arises out of the exercise of the privilege of a liquor license; or if citations for violations of the act are unresolved at the time of filing the application.

[15.11.23.13 NMAC - Rp, 15 NMAC 11.2.3.10, 4/25/2017]

**15.11.23.13 SERVER REPORTS:** Licensees must submit reports quarterly to the department listing all servers employed by the licensee in the previous quarter.

[15.11.23.13 NMAC - Rp, 15 NMAC 11.2.3.11, 4/25/2017]

**HISTORY OF 15.11.23 NMAC:**

Pre-NMAC History: The material in this subpart was derived from that previously filed with the State Records Center and Archives under:

AGD Regulation 6B-6(A), Change of Ownership of Corporate License, filed 9/25/1990;  
AGD Regulation 6B-6(B), Change of Ownership of Limited Partnership, filed 9/25/1990;  
AGD Regulation 6B-6(C), Change of Ownership, filed 9/25/1990; and  
AGD Regulation 6B-6(D), Corporation Name Change, filed 9/25/1990.

**History of Repealed Material:**

15 NMAC 11.2.3, Licenses And Permits - Change in Licensee, filed 3/14/1997 - Repealed effective 4/25/2017.

**Other History:**

15 NMAC 11.2.3, Licenses And Permits - Change in Licensee, filed 3/14/1997 was replaced by 15.11.23 NMAC, Licenses And Permits - Change in Licensee, effective 4/25/2017.