



2024

Legislative Menu



New Mexico
Restaurant
Association

Serving its members and the people of New Mexico since 1946

APPETIZERS

New Mexico

Locations – 3,838

Employees – 90,100

Percent of State Workforce - 11%

Industry Sales (as forecast for 2023) – \$5.3 billion

National

Locations – 1 Million +

Employees – 15.5 Million

Industry Sales (as forecast) – \$997 billion

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BEVERAGES

Liquor or Soft Drink Excise Tax Increase

OPPOSE

On behalf of its membership, NMRA will oppose liquor or soft drink excise taxes. These are taxes placed on liquor or soft drinks at the manufacturer or wholesale level, which in essence constitute hidden fees on New Mexicans that are regressive and create pyramiding taxation. New Mexicans already pay among the highest liquor taxes in the nation and restaurants collect nearly 10% in GRT for both soft drinks and liquor.

Liquor Tax Allocation Increase

Support

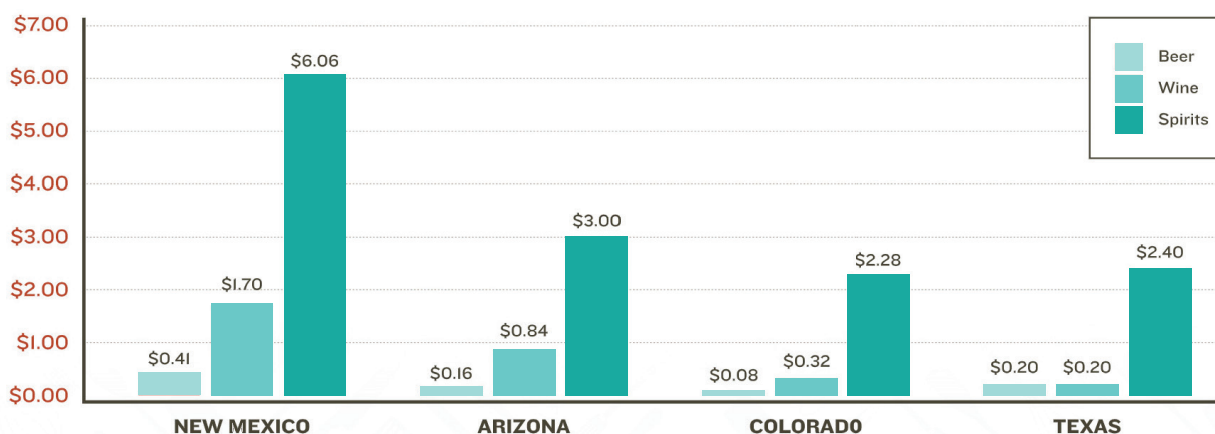
NMRA supported the liquor excise tax increase in 1994 to be used for DWI prevention and treatment programs. Currently, less than 50% of the liquor excise tax collected is put toward prevention and treatment programs. We support additional allocations from this fund to be used for these programs. We do not support additional taxes.

Liquor Excise Tax Increase

Oppose

	Now	Proposed
Spirits/Liquors	\$1.60/Liter	\$7.24/Liter
Beer	\$.41/Gallon	\$3.08/Gallon
Wine	\$.45/Liter	\$2.14/Liter
Fortified Wine	\$1.50/Liter	\$3.61/Liter

LIQUOR EXCISE TAX



ENTRÉES

Paid Family Medical Leave

Oppose

Restaurants are already grappling with increased costs because of inflation, the new paid sick leave mandate, and industry-wide labor shortages. The Paid Family and Medical Leave program, as it was proposed in 2023, raises serious concerns for restaurants and the broader small business community. The program, which mandates 12 weeks of paid leave for employees to care for anyone in their life, would require businesses to contribute \$4 for every \$1,000, and employees would contribute \$5 for every \$1,000 of their wages, to a state-administered fund that is projected to be insolvent in a matter of a few years. This additional financial burden comes at a time when restaurants are struggling to maintain operations. Given these challenges, we believe the program needs to be reevaluated to consider its impact on employees and small businesses.

Hospitality Workforce Development

The restaurant and broader tourism sectors are grappling with a persistent labor shortage, a challenge anticipated to extend over multiple years without strategic intervention. To address this pressing issue, we urgently seek financial support to cultivate the next generation of leaders in hospitality and create a pipeline to employment within the hospitality industry. This targeted investment will enrich the talent pool and contribute to the long-term sustainability and growth of these crucial industries. This program teaches students the fundamentals of the restaurant industry. It gives them management skills so they can work in a restaurant in high school and move into management when they graduate. With 1,800 students in 37 schools enrolled in this CTE program, the only missing link is to connect them with the restaurant industry.

ProStart Schools in New Mexico

- | | |
|----------------------------|-----------------------------|
| Albuquerque High School | Organ Mountain High School |
| Atrisco Heritage Academy | Penasco High School |
| Bernalillo High School | Pojoaque Valley High School |
| Carlsbad High School | Questa High School |
| Chaparral High School | Raton High School |
| Cibola High School | Rio Grande High School |
| Cloudcroft High School | Roswell High School |
| Clovis High School | Ruidoso High School |
| Cuba High School | Sandia High School |
| Deming High School | Santa Fe High School |
| Gadsden High School | Santa Fe Indian School |
| Gallup High School | Santa Teresa High School |
| Gallup Central High School | Silver High School |
| Grants High School | Taos High School |
| Las Cruces High School | Valencia High School |
| Los Alamos High School | Valley High School |
| Lovington High School | Volcano Vista High School |
| Mayfield High School | West Mesa High School |
| Miyamura High School | |

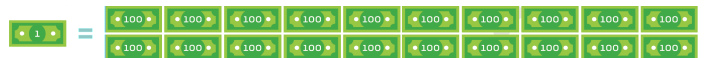
Minimum Wage & Tipped Wage Increases

Oppose

Because restaurants provide many first job opportunities (one in three Americans get their first job in restaurants), our industry is hardest hit when minimum wages increase. Therefore we advocate for reasonable increases that will not place jobs and businesses in jeopardy. Minimum wage increases are especially difficult for small businesses to absorb. We ask that the legislature keep this in mind when considering an increase.

Food For Thought

every **ONE DOLLAR INCREASE** in minimum wage costs a restaurant owner **\$2000 PER EMPLOYEE PER YEAR**



SPECIALS

Support

Increased Funding for Tourism Advertising

NMRA strongly supports initiatives to obtain a dedicated funding stream for tourism marketing. NM has fallen behind surrounding states in the dollars spent on tourism marketing and advertising, yet research by the US Travel Association shows that tourism marketing dollars return \$40 for every \$1 to the industry and \$8 for every \$1 in tax revenue for the state. NMRA supports a dedicated funding stream that would allow for consistent budgeting of advertising dollars and allow NM to compete more effectively to gain tourists from domestic and international markets.

- **Online Licenses and Permits:** Our businesses deserve a streamlined, online process for applying for and renewing various licenses and permits required for restaurant operations.
- **Energy Efficiency:** Grants or incentives issued by the state should be targeted to help restaurants and hotels implement energy-efficient technologies.
- **Local Sourcing:** We support policies that make it easier for restaurants to source ingredients from local farmers and suppliers.
- **Bail Reform & Pretrial Detention:** Crime is a real problem in New Mexico and has a tremendous impact on the tourism and hospitality industry. To that end, we support criminal justice reform measures that will help reduce property and violent crime.
- **Regulatory Reform:** NMRA supports legislation that provides for a consistent, transparent, and predictable regulatory system that protects New Mexicans, fosters a good business climate, and encourages job growth and development.

DESSERT

BOTTOM-LINE IMPACT OF RISING COSTS

Typical Restaurant with annual sales of \$900k

	2019	2019 Increase to 2022	2022
INCOME			
Food & Beverage Sales	\$900,000		\$900,000
EXPENSES			
Food & Beverage Costs	\$297,000	▲ 21.8%	\$361,746
Labor Costs	\$297,000	▲ 18.3%	\$351,351
Utility Costs	\$32,000	▲ 11.8%	\$35,776
Occupancy Costs	\$63,000	▲ 8.3%	\$68,229
Other Costs (Supplies, G&A, Etc.)	\$166,000	▲ 16.7%	\$193,722
TOTAL EXPENSES	\$855,000	▲ 18.2%	\$1,010,824
PRE-TAX INCOME			
	\$45,000	▼ \$155,824	-\$110,824
% of Total Sales	5.0%		-12.3%

