

## County Commissioners discuss updated agreement for Liquor Excise Tax

Written by By Cody Begaye Sun Correspondent  
Friday, 17 April 2020 05:12

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The newest version of the Joint Powers Agreement between the City of Gallup and McKinley County for the Liquor Excise Tax was presented to the Board of Commissioners during their April 7 meeting.

The state statute that enables the county to have the LET, requires the county to have the agreement with municipalities in the county. The only municipality within McKinley County is the City of Gallup.

In Nov. 2019, an ordinance regarding the LET was voted on by McKinley County voters, asking if they think the county should continue to impose the LET at the maximum amount of six percent, as allowed by state law.

The ordinance was adopted with 79 percent of voters in favor of keeping the LET.

County Attorney Doug Decker said before any LET money can be spent, the New Mexico Department of Finance and Administration has to approve the agreement. Without the agreement in place, the county is in danger of losing the excise tax.

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In a 2018 study, the New Mexico Department of Health found that increasing the Liquor Excise Tax has been shown to decrease drinking, particularly with underage drinkers.

The tax revenue is used for funding education programs and the prevention and treatment of alcoholism and drug abuse in McKinley County.

The current JPA was adopted by the Board of Commissioners in 2016, and some of the language in the new agreement was updated to include social detox in the LET expenses, Decker added.

Social detox is where the withdrawal process from any used substances is monitored, supervised and managed without any use of detox medication. It is done primarily through therapy and counseling, which make it a more cost-effective model for recovering addicts.

When asked about the timing of negotiations of where LET funds will be allocated, Decker said they have done the negotiations annually, and are aiming to have this year's negotiation in May.

"This JPA anticipates the negotiation between the city's allocation task force, which is the mayor and city appointees, and the county chair and their appointees to determine how the funds will be allocated," Decker said. "In the last four years, we have tried to do the negotiations during the budget cycle."

The JPA was approved with a 3-0 vote.

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