

# Proposed License Vendor Surety Bond Requirements and Vendor Fee Distribution

- ✓ Current State Law §17-3-7(D), allows vendors to submit license revenue to the Department no later than the 10th day of the month following the sale
- ✓ State Game Commission rule 19.30.9.8 establishes penalties, surety bond and other requirements for vendors who sell Department licenses
- ✓ Web-based sales system changes the need for some of the language that currently exists in rule regarding surety bond requirements and distribution of the \$1.00 vendor fee



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# Surety Bond Requirements

- ✓ Bond will still be required for vendors wishing to submit license revenue on a monthly basis,
- ✓ No bond requirement if vendor agrees to remit license revenue as soon as they sell \$5,000 worth of licenses, or every two weeks, whichever comes first,
- ✓ If a vendor elects to submit every 2 weeks/\$5,000 and they are delinquent in their payment, the Department will deactivate their vendor account until the license revenue is paid in full,
- ✓ If the vendor is delinquent in their payment to the Department more than 3 times in a 12 month period, the Director can evaluate the status of the vendorship. A vendor will be entitled to appear in front of a hearing officer if they wish to challenge the Director's evaluation.



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## Vendor Fee Distribution

- ✓ Currently, vendors keep the \$1.00 vendor fee they earn for each license document they sell and they submit the appropriate license fees to the Department at the end of each month
- ✓ Web-based sales system will require that the license payment made by the customer will happen in one transaction. Therefore the Department will receive the \$1.00 fee at the time of the transaction
- ✓ The Department will distribute the appropriate vendor fees earned by each vendor to the vendor no later than the 10<sup>th</sup> business day of the next month, either via paper warrant (check) or by automatic deposit. This will require that the license vendor be registered with the State of New Mexico's central accounting agency to receive their vendor fee payments.



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