Bill as Introduced

HB 276-FN - AS INTRODUCED

2011 SESSION

11-0327 03/01

HOUSE BILL

276-FN

AN ACT

relative to wine manufacturers.

SPONSORS:

Rep. S. Palmer, Hills 6; Rep. Kappler, Rock 2; Rep. Willette, Hills 6; Rep. Sad,

Ches 2

COMMITTEE:

Commerce and Consumer Affairs

ANALYSIS

This bill permits wine manufacturers to sell wine at annual fairs or similar events. This bill also eliminates the requirement that wine provided as samples by a wine manufacturer be purchased from the liquor commission.

Explanation:

Matter added to current law appears in bold italics.

Matter removed from current law appears [in brackets and struckthrough.]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eleven

AN ACT

1

2

3

4

5

6 7 relative to wine manufacturers.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Wine Manufacturer License; Retail Sales. Amend RSA 178:8, III to read as follows:

III. Each wine manufacturer shall have the right to sell at retail or wholesale at its winery for off-premises consumption any of its wines. Visitors at said premises may be provided with reasonable samples of wine for tasting. Pursuant to rules adopted by the commission, a wine manufacturer may transport its products to a farmers' market or a wine festival licensed under RSA 178:31, and may sell such products at retail in the original container.

2 Fees; Wine Festival License. Amend RSA 178:29, I to read as follows:

8	I. On-premise								
9	\$		lemental		erag			rages	Cocktail
10		•	Only	and	Wir	10	and l	Liquor	Lounge
11									
12	Airport								\$1,200
13	Ballroom	\$	4 5						\$1,200
14	Bed and Breakfast			\$	480	0	\$	840	
15	Beer Festival								
16	One-day	\$	250						
17	Two-day	\$	300						
18	Three-day	\$	350						
19	Catering (all)								\$1,200
20	Catering (off-site only)							\$ 840
21	Catering (on-site only)							
22	18 events-	\$	5						
23	36 events-	\$	5						
24	52 events-	\$	5						
25	Club Military								\$ 100
26	Club Social								
27	9 events	\$	250						
28	18 events	\$	450						
29	36 events	\$	750						
30	52 events	\$1	,200						
31	Club Private								\$1,200
32	Club Veterans								
33	9 events	\$	250						
34	18 events	\$	450						
35	36 events	\$	750					•	
36	52 events	\$1	,200						
37	College Club								\$1,200
38	Convention Center								\$2,400
39	Dining Car				\$	480			\$ 840
40	Fairs				\$	112			•
41	Hotel				\$	840			\$1,200
42	One day License				•	-			\$ 100
									•

HB 276-FN - AS INTRODUCED - Page 2 -

1 2	Performing Arts Racetrack/Motor Veh	nicle				\$ 360 \$1, 800
3	Racetrack/Pari-Mutu					\$3,000
4	Rail Cars					\$1,200
5	Restaurant			\$ 480	\$ 840	\$1,200
6	Special License				\$ 25	
7	Sports/Entertainmen	it Com	ıplex			\$1,800
8	9 events	\$	250			
9	18 events	\$	450			
10	36 events	\$	750			
11	52 events	\$1	,200			
12	Sports Recreation Fa	cility				\$1,200
13	Tobacco Retailer				\$ 840	
14	Vessel			\$ 480	\$ 840	\$1,200
15	Wine Festival					
16	One-day	\$	250			
17	Two-day	\$	300			
18	$Three ext{-}day$	\$	350			

3 New Section; Wine Festival Licenses. Amend RSA 178 by inserting after section 30 the following new section:

. 178:31 Wine Festival Licenses.

- I. The commission may issue a supplemental wine festival license to the holder of a wine manufacturer license. The commission may also issue a wine festival license to a responsible person representing a voluntary nonprofit group or such group's designee. Notwithstanding any other provisions of law, the holder of a license under this section shall be allowed to organize, advertise, and hold an event not exceeding 3 days in length, promoting the products of the beverage industry. The provisions of RSA 178:22, I, III, and IV shall apply to any license issued under this section. The sales and services of alcoholic beverages shall be in a clearly defined area. Applications for a license under this section shall be filed with the commission 15 working days before the date on which the license is needed.
- II. For purposes of regulation, any person issued a license under paragraph I shall be subject to all applicable statutory provisions and rules adopted under this title, except as directed by this section. Any violations committed by a supplemental licensee shall be considered violations against the applicant's annual or seasonal license.
 - III. No alcohol other than wine shall be served under this license.
 - IV.(a) No license shall be issued under paragraph I unless the applicant obtains:
- (1) Official approval of the chief of the local fire department as to the safety of the location; and
 - (2) Official approval of the local health department concerning sanitary conditions; and
- (3) Official approval of the local police department as to the accessibility and public safety of the location and the event.
- (b) Written statements from such officials shall accompany the application for a license issued under paragraph I. The selectmen, city council, city manager, or town administrator may at their discretion, assign police officers to the location of the event where alcoholic beverages are served.

HB 276-FN - AS INTRODUCED - Page 3 -

V. Notwithstanding any other provision of law, the commission or its investigators may
suspend, without warning, any license issued under paragraph I, if in their opinion, such continued
sale or service of alcoholic beverages is contrary to the public interest.
4 Wine Samples. Amend RSA 179:44, III to read as follows:
III. Liquor, beverage, or wine samples shall be consumed on the premises, and, except for

III. Liquor, beverage, or wine samples shall be consumed on the premises, and, except for wine samples provided by wine manufacturers, liquor or wine for this purpose shall be purchased from the commission under conditions prescribed by this title. Beverage samples for a tasting shall only be obtained as prescribed by this title.

5 Effective Date. This act shall take effect 60 days after its passage.

HB 276-FN - AS INTRODUCED - Page 4 -

LBAO 11-0327 01/18/11

HB 276-FN - FISCAL NOTE

AN ACT

relative to wine manufacturers.

FISCAL IMPACT:

Due to time constraints, the Office of Legislative Budget Assistant is unable to provide a fiscal note for this bill at this time. When completed, the fiscal note will be forwarded to the House Clerk's Office.

HB 276-FN - AS INTRODUCED - Page 4 -

LBAO 11-0327 Revised 01/25/11

HB 276 FISCAL NOTE

AN ACT

relative to wine manufacturers.

FISCAL IMPACT:

The Liquor Commission states this bill will have an indeterminable fiscal impact on state revenue in FY 2012 and each year thereafter. There is no fiscal impact on county and local revenue or state, county and local expenditures.

METHODOLOGY:

The Liquor Commission states this bill permits wine manufacturers to sell wine at annual fairs or similar events and eliminates the requirement that wine provided as samples be purchased from the Commission. The Commission has no information to determine how many wine festival licenses would be issued or the amount of lost sales to determine the impact on revenue.

Amendments

Rep. S. Palmer, Hills. 6 February 8, 2011 2011-0235h 03/01

1 2

Amendment to HB 276-FN

Amend the bill by replacing section 2 with the following:

3	2 Fees Wine Festival License	Amend RSA 178-29 I to read as follows:

Company Comp	4	I. On-premis							
State	5								
8 Airport 9 Ballroom \$ 45			C)nly	and	Wine	and	Liquor	Lounge
9 Ballroom \$ 45 \$ 480 \$ 840 10 Bed and Breakfast \$ 480 \$ 840 11 Beer Festival 12 One-day \$ 250 13 Two-day \$ 300 14 Three-day \$ 350 15 Catering (all) \$ 1,200 16 Catering (off-site only) 17 Catering (on-site only) 18 18 events \$ 5 19 36 events \$ 5 20 52 events \$ 5 21 Club Military \$ 100 22 Club Social \$ 250 23 9 events \$ 450 24 18 events \$ 450 25 36 events \$ 750 26 52 events \$ 1,200 27 Club Private \$ 31,200 28 Club Veterans \$ 450 30 18 events \$ 450 31 36 events \$ 750 32 52 events \$ 1,200 33 College Club \$ 1,200 34 Convention Center \$ 22,400 35 Dining Car \$ 480 \$ 840 36 Fairs \$ 112 37 Hotel \$ 840 \$ 1,200 38 One day License \$ 100 39 Performing Arts \$ 360 40 Racetrack/Pari-Mutuel \$ 3,000 41 Racetrack/Pari-Mutuel \$ 3,000 42 Rail Cars \$ 480 \$ 840 \$ 1,200 37 Restaurant \$ 480 \$ 840 \$ 1,200 38 Restaurant \$ 480 \$ 840 \$ 1,200 39 Restaurant \$ 480 \$ 840 \$ 1,200 30 Restaurant \$ 480 \$ 840 \$ 1,200 31 Restaurant \$ 480 \$ 840 \$ 1,200 32 Restaurant \$ 480 \$ 840 \$ 1,200 34 Restaurant \$ 480 \$ 840 \$ 1,200 35 Restaurant \$ 480 \$ 840 \$ 1,200 36 Restaurant \$ 480 \$ 840 \$ 1,200 37 Restaurant \$ 480 \$ 840 \$ 1,200 38 Restaurant \$ 480 \$ 840 \$ 1,200 39 Restaurant \$ 480 \$ 840 \$ 1,200 30 Restaurant \$ 480 \$ 840 \$ 1,200 30 Restaurant \$ 480 \$ 840 \$ 1,200 30 Restaurant \$ 480 \$ 840 \$ 1,200 \$ 1,200 31 Restaurant \$ 480 \$ 840 \$ 1,200									
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11			\$	45	_				\$1,200
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Two-day									
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18			\$	350		\O\ J			
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18					, '	1/401/			\$ 840
18		Catering (on-site only			\	/^ '/			
Club Military \$ 100		18 events-			.\.	〈ソ			
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Club Social		52 events-	\$	5	\"				
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27 Club Private \$1,200 28 Club Veterans \$250 29 9 events \$250 30 18 events \$450 31 36 events \$750 32 52 events \$1,200 34 Convention Center \$2,400 35 Dining Car \$480 \$840 36 Fairs \$112 37 Hotel \$840 \$1,200 38 One day License \$100 39 Performing Arts \$360 40 Racetrack/Motor Vehicle \$1,800 41 Racetrack/Pari-Mutuel \$3,000 42 Rail Cars \$1,200 43 Restaurant \$480 \$840 \$1,200 44 Special License \$25	25	36 events	\$	750					
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32 52 events \$1,200 33 College Club \$1,200 34 Convention Center \$2,400 35 Dining Car \$480 \$840 36 Fairs \$112 37 Hotel \$840 \$1,200 38 One day License \$100 39 Performing Arts \$360 40 Racetrack/Motor Vehicle \$1,800 41 Racetrack/Pari-Mutuel \$3,000 42 Rail Cars \$1,200 43 Restaurant \$480 \$840 \$1,200 44 Special License \$25	30	18 events	\$	450/					
33 College Club \$1,200 34 Convention Center \$2,400 35 Dining Car \$ 480 \$ 840 36 Fairs \$ 112 37 Hotel \$ 840 \$1,200 38 One day License \$ 100 39 Performing Arts \$ 360 40 Racetrack/Motor Vehicle \$ 1,800 41 Racetrack/Pari-Mutuel \$ 3,000 42 Rail Cars \$ 1,200 43 Restaurant \$ 480 \$ 840 \$ 1,200 44 Special License \$ 25	31	36 events	\$	750					
34 Convention Center \$2,400 35 Dining Car \$480 \$840 36 Fairs \$112 37 Hotel \$840 \$1,200 38 One day License \$100 39 Performing Arts \$360 40 Racetrack/Motor Vehicle \$1,800 41 Racetrack/Pari-Mutuel \$3,000 42 Rail Cars \$1,200 43 Restaurant \$480 \$840 \$1,200 44 Special License \$25	32	52 events	\$1	.,20 ó					
35 Dining Car \$ 480 \$ 840 36 Fairs \$ 112 37 Hotel \$ 840 \$1,200 38 One day License \$ 100 39 Performing Arts \$ 360 40 Racetrack/Motor Vehicle \$ 1,800 41 Racetrack/Pari-Mutuel \$ 3,000 42 Rail Cars \$ 1,200 43 Restaurant \$ 480 \$ 840 \$ 1,200 44 Special License \$ 25	33	College Club							\$1,200
36 Fairs \$ 112 37 Hotel \$ 840 \$1,200 38 One day License \$ 100 39 Performing Arts \$ 360 40 Racetrack/Motor Vehicle \$ 1,800 41 Racetrack/Pari-Mutuel \$ 3,000 42 Rail Cars \$ 1,200 43 Restaurant \$ 480 \$ 840 \$ 1,200 44 Special License \$ 25	34	Convention Center							\$2,400
37 Hotel \$ 840 \$1,200 38 One day License \$ 100 39 Performing Arts \$ 360 40 Racetrack/Motor Vehicle \$1,800 41 Racetrack/Pari-Mutuel \$3,000 42 Rail Cars \$1,200 43 Restaurant \$ 480 \$ 840 \$1,200 44 Special License \$ 25	35	Dining Car				\$ 480			\$ 840
38 One day License \$ 100 39 Performing Arts \$ 360 40 Racetrack/Motor Vehicle \$1,800 41 Racetrack/Pari-Mutuel \$3,000 42 Rail Cars \$1,200 43 Restaurant \$ 480 \$ 840 \$1,200 44 Special License \$ 25						\$ 112			
39 Performing Arts \$ 360 40 Racetrack/Motor Vehicle \$1,800 41 Racetrack/Pari-Mutuel \$3,000 42 Rail Cars \$1,200 43 Restaurant \$ 480 \$ 840 \$1,200 44 Special License \$ 25	37	Hotel				\$ 840			\$1,200
40 Racetrack/Motor Vehicle \$1,800 41 Racetrack/Pari-Mutuel \$3,000 42 Rail Cars \$1,200 43 Restaurant \$480 \$840 \$1,200 44 Special License \$25		One day License							\$ 100
41 Racetrack/Pari-Mutuel \$3,000 42 Rail Cars \$1,200 43 Restaurant \$ 480 \$ 840 \$1,200 44 Special License \$ 25									
41 Racetrack/Pari-Mutuel \$3,000 42 Rail Cars \$1,200 43 Restaurant \$ 480 \$ 840 \$1,200 44 Special License \$ 25	40	Racetrack/Motor Veh	iicle						\$1,800
42 Rail Cars \$1,200 43 Restaurant \$ 480 \$ 840 \$1,200 44 Special License \$ 25			el						
43 Restaurant \$ 480 \$ 1,200 44 Special License \$ 25		Rail Cars							
44 Special License \$ 25	43					\$ 480	\$	840	
Aff Character (Thickenter) and Aff Character (Character)		-						25	
45 Sports/Entertainment Complex \$1,800	45	Sports/Entertainmen	t Com	plex					\$1,800

Amendment to HB 276-FN - Page 2 -



5	Sports Recreation Fa	acility			\$1,200
6	Tobacco Retailer			\$ 840	
7	Vessel		\$ 480	\$ 840	\$1,200
8	Wine Festival	\$ 112			

Amend RSA 178:31, I as inserted by section 3 of the bill by replacing it with the following:

I. The commission may issue a supplemental wine festival license to the holder of a wine manufacturer license. The commission may also issue a wine festival license to a responsible person representing a voluntary nonprofit group or such group's designee. Notwithstanding any other provisions of law, the holder of a license under this section shall be allowed to organize, advertise, and hold an event not exceeding one day in length, promoting the products of the beverage industry. The provisions of RSA 178:22, I, III, and IV shall apply to any license issued under this section. The sales and services of alcoholic beverages shall be in a clearly defined area. Applications for a license under this section shall be filed with the commission 15 working days before the date on which the license is needed.

Amend RSA 178:31, III as inserted by section 3 of the bill by replacing it with the following:

III. No alcohol other than domestic wine shall be served under this license.

Amendment to HB 276-FN - Page 3 -



2011-0235h

AMENDED ANALYSIS

This bill permits wine manufacturers and nonprofit groups to hold wine festivals. This bill also eliminates the requirement that wine provided as samples by a wine manufacturer be purchased from the liquor commission.

Speakers

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # HB 276-FN	Date 2-1-11
Committee Commerce : Cf	<u> </u>
** Please Print	All Information **

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Name	Address	. Phone	Representing	Pro	Con
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REP. BOB HAB	POLK SHAIR	,		X	
REP BOB CUIL	ett Hill	6		X	
Rep Javas	ett Hille	pde	E¢A	V	
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SIGN UP SHEET

To Register Opinion If Not Speaking

110 000 001		
Bill # HB 276-FN Date 2-22-11 Committee Commerce : CP		
Committee Commence & CP		
** Please Print All Information **		
	(check	
Name Address Phone Representing	Pro	Con
Tetir Older South Hampion 397-0600 NN WMany MSSE	LX.	
LOWIS Exton Kensington 347-1738 DH Windry ASSOC.	X	
Bob Dalsnowski CANdia NH 867-9751 CANDIA VINEYANDS	X	
Returnolder South Hampton 394-0600 NN Wining Assor. Lowis Enton Kensington 347-1738 DH Wining Assor. Bob Dalsnowski Christia, NH 867-9751 CANDIA VINEYARDS LORRAINE MERRILL 271-3551 Dept-Agric. MetstFood Rep Jary Sad Walpole 756-4861 EEA	X	
Rep Jan Sad Walpole 756-4861 EEA	Х	
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Hearing Minutes

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

PUBLIC HEARING ON HB 276-FN

BILL TITLE:

relative to wine manufacturers.

DATE:

2-1-11

LOB ROOM:

302

Time Public Hearing Called to Order:

1505

Time Adjourned:RECESSED 1525

(please circle if present)

Committee Members: Reps. Hunt, Coffey Belanger, Flanders, Quandt, Meadd, Nevins Palfrey Sullivan, Bergevin, Manus, Mauro McGuinness, Rice, Taylor, Meader, Gidge and Schlachman.

Bill Sponsors: Reps. S. Palmer, Kappler, Willette and Sad

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep. Stephen Palmer, prime sponsor – Read from written testimony. Intent of bill is to promote New Hampshire wine.

*Rep, Mike Kappler, co-sponsor – Handed out written testimony; copy in file. He read from written testimony.

Bob DeBrowski, representing self - Supports bill. Small winery owner. I always have a beer table at my wine tastings. Addressed a few house keeping issues in the bill.

Rep. Tara Sad, co-sponsor – Represents agricultural committee. Supports bill. Supports festivals for safe wine by selling point; bill makes it easier to get licensed. Hope we support.

<u>Stuart Trachy</u>, <u>Wine Institute</u> – Neutral on bill. Concerns with New Hampshire wines only; has not discussed with his client but has a few other questions that he wants to discuss.

Hearing Recessed due to snow concerns; will hold continued public hearing.

Respectfully Submitted

James F. Headd, Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

PUBLIC HEARING ON HB 276-FN

BILL TITLE:

relative to wine manufacturers.

DATE:

2-1-11

LOB ROOM:

302

Time Public Hearing Called to Order: 1505

Time Adjourned: Releas 1(2)

(please circle if present)

Committee Members: Reps. Hunt, Coffey Belanger, Flanders, Quandt, Headd, Nevins, Palfrey, Sullivan Bergevin, Manuse Maure, McGuinness, Rice, Taylor, Meader, Gidge and Schlachman.

Bill Sponsors:

Reps. S. Palmer, Kappler, Willette and Sad

TESTIMONY

Use asterisk if written testimony and/or amendments are submitted.

Ry Styphan Palmen - PRIME Spinson Reso from write testing Interty the Will is to promote NH Wine

#2

Reg MKe Kapplen- Co-sponsen handal out written testing- Egg in Rile - he Read from Mil writter testingy

BOB DeBROSKi- Byparts Enfl-small viray owner - suppoints BILL - I slways Burca Beur Tork at y withe Tostry ... H. P.11 #3 Addressed a few House Keypy 15 mer in the Bill

#2 #B 276 FN.

Rep TARA SAD - Regulate

Aspecul from Ceinstan - Supposets

Bill: - Supposets Festivalis for

Safe of Nine - Ry Selley print

Be hill makes I can to get

110-ensed - Hope we suppose Stewart Trochy: wine

Institute - Concern with

NH wines only - her not discusse

inthe his shut But has a few
other questions that he auts to discusse

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

PUBLIC HEARING ON HB 276-FN (CONTINUED)

BILL TITLE:

relative to wine manufacturers.

DATE:

2-22-11

LOB ROOM:

302

Time Public Hearing Called to Order:

1641

Time Adjourned:

1700

(please circle if present)

Committee Members: Reps. Hung, Coffey, Belanger, Flanders, Quandt, Headd, Nevins, Palfrey, Sullivan Bergevin, Manuse Mauro McGuinness, Rice, Caylor, Meader, Gidge and Schlachman.

Bill Sponsors:

Reps. S. Palmer, Kappler, Willette and Sad

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Peter Oldak, NH Winery Assn.: Supports the bill. Read from prepared statement.

Rep. Stephen Palmer, prime sponsor – Offering an amendment. 1- Line 16 reduces license to \$112 from \$250 for a one-day festival. 2 – Changes length from 3 days to 1 day in length. 3 – "No alcohol other than <u>domestic</u> wines shall be served." To promotes NH wines. Beer at wine festivals should require a separate license.

Q: Rep. James Sullivan - "Domestic"...does this mean New Hampshire or US?

A: IN this instance it would mean New Hampshire.

Q: Rep. Donna Schlachman - Why just one-day?

A: Most are but if want 2 days can get 2 licenses.

<u>Commissioner Lorranine Merrill, NH Dept. of Agriculture (Markets & Food</u> – Supports the bill as way of promoting local products and agriculture other states have these festivals.

Respectfully Submitted:

James F. Headd, Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS PUBLIC HEARING ON HB 276-FN (CONTINUED)

BILL TITLE:

relative to wine manufacturers.

DATE:

2-22-11

LOB ROOM:

302

Time Public Hearing Called to Order: 1641

Time Adjourned:

(please circle if present)

Committee Members: Reps. Hunt, Coffey Belanger, Flanders, Quandt, Headd, Nevins, Palfrey, Sullivan, Bergevin, Manuse Mauro, McGuinness, Rice, Taylor, Meader, Gidge and Schlachman.

Ratan in Duision

Bill Sponsors: Reps. S. Palmer, Kappler, Willette and Sad

TESTIMONY

Use asterisk if written testimony and/or amendments are submitted.

Of Peter Oldak - NH Wins Mikes Assoc.

Continuel heavy.

Real form a prepond written

Rep. Polmer - prime spunsor of bull Offering an amendment -1) line 16 reduces license to \$112 From \$ 250 For a one-day festival. 2) Champes Tengin From 3 ckuys k I day in lenger 3) "NO alcohol other from dimestic wines shall be served " promote WH withes. Beer at wine festivals should require a separate license. Questing Rep Sullivon: "domesti" does mis mean NHor U.S. Ans: In This instance it would mean NAAN anestri Shlavmen - why Just me day? Commissioner Merrill Sept of Agri Supports bill ay way of promoting local products & agricultie O Prer States have Prese sestuals

Sub-Committee Minutes

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS SUBCOMMITTEE WORK SESSION ON HB 276-FN

BILL TITLE: relative to wine manufacturers.

DATE: 2-28-11

Subcommittee Members: Reps. Nevins, Headd, Rice, Sullivan, Schalchman

Comments and Recommendations: Went from only wine at festivals to only "domestic" wine — NH made wine only. Jim Demers: Q: Does amendment change entire bill? A: Rep. Schlachman — No. I suggest that if you want to issue a license for a wine festival it should be open to everyone. Participants must be registered in the state of NH. What is also lacking is what is the definition of a "wine festival". I For RSA 175:1).

Amendments:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Motions:

OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

Motions:

OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

Hespectivity submitted,

Subcommittee Chairman/Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS SUBCOMMITTEE WORK SESSION ON HB 276-FN

BILL TITLE:

relative to wine manufacturers.

DATE:

2-28-11

Subcommittee Members:

Reps. Headd, Rice, Sullivan, Schalchman

Comments and Recommendations: Went from only wine at festivals to only "domestic" wine -NH made wine only. Jim Demers: Q: Does amendment change entire bill? A: Rep. Schlachman -No. I suggest that if you want to issue a license for a wine festival it should be open to everyone. Participants must be registered in the state of NH. What is also lacking is what is the definition of a "wine festival". I For RSA 175:1).

Amendments:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Motions:

OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

Motions:

OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

Respectfully submitted,

Rep. James F. Headd Subcommittee Chairman/Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS SUBCOMMITTEE WORK SESSION ON HB 276-FN

BILL TITLE: relative to wine manufacturers.

DATE: 2 28 H

Subcommittee Members: Reps. HROO, RILR, SullVAn
Comments and Recommendations: Sohlochman.

Amendments:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Motions:

TL, Retained (Please circle one.) OTP, OTP/A,

Moved by Rep.

Seconded by Rep.

Vote:

OTP, OTP/A, ITL, Retained (Please circle one.) Motions:

Moved by Rep.

Seconded by Rep.

Vote:

Respectfully submitted,

Rep. {Type NAME} Subcommittee Chairman/Clerk HB 276 RELATION TO WIND MANUFACTURES.S

"Downstric" wind (NH MADE LOINE ONCH.)

M. PARE GARP

Jim Downs

QUESTION: DOES ADO CHANGE ENTINE BILL?

REP Schenemen & NO

FOR A LOCKY FESTIVE IT SHOULD BE OFFU TO ELECTIVE

PARTICIPALS MUST BY RUGISTATION IN THE DIFFICITION OF A "WINE FESTIVAL" (FOR 25475:1)

Testimony

New Hampshire State Representative Vice Chair Resources, Recreation, & Development Committee L. Mike Kappler

February 1, 2011

Dear Committeman and Committee members,

HB-276 is a golden opportunity, that is available in some states, for our "local wineries" to make awareness of their fine products, offering a small sample, and be able to sell their product at the same time. The more exposure that a small business can get, the better opportunity there is for that business to be a continued success.

Please remember, these local small winery businesses: pay local property taxes; employ local residents; purchase their supplies from other local small businesses such as, farms, stores, and gas stations. It's one small business supporting other small businesses. The wineries are an asset to their community and to the state, and we should support them by passing this legislation.

I am sure that the state Liquor Commission will welcome any license fee revenues they can get, a couple hundred here, and a couple hundred there add up.

Also profitting from this would be the wine festival sponsoring group or organization. It would be a good drawing card to an event.

I ask for your support and vote to recommend HB-276 "ought to pass" to the House floor.

Thank you.

L. Mike Kappler

178:8 Wine Manufacturer License. -

- I. Wine manufacturer licensees may ferment fruit or other agricultural products naturally containing sugar to produce table wine containing at least 6 but not more than 15.5 percent alcohol by volume, and to produce from that wine fortified wine containing at least 15.5 but not more than 24 percent alcohol by volume.
- II. Each manufacturer of domestic wines in this state shall have the right to sell and to transport and deliver wines manufactured by it directly to the holders of on-premises or off-premises licenses issued by the commission. No domestic wine manufactured in this state by any manufacturer shall be sold or delivered in this state in any manner which is inconsistent with the provisions of this title.
- III. Each wine manufacturer shall have the right to sell at retail or wholesale at its winery for off-premises consumption any of its wines. Visitors at said premises may be provided with reasonable samples of wine for tasting at a cost determined by the manufacturer. Pursuant to rules adopted by the commission, a wine manufacturer may transport its products to a farmers' market or a wine festival licensed under RSA 178:31, and may sell such products at retail in the original container.
- IV. Each wine manufacturer shall maintain records and prepare reports for the commission which shall indicate the sales made under this section and shall pay to the commission monthly a fee equal to 5 percent of such sales on or before the tenth day of the month following the sale.
- V. Each wine manufacturer shall have the right to transport wines manufactured by it to the state border for transportation and sale outside the state.
- VI. Each wine manufacturer shall have the right to hire sales representatives subject to RSA 179:11 as it desires, and shall have the right to solicit sales of its wines directly to retail licensees.
- VII. The holder of a wine manufacturer license, or designee, may be issued an onpremises license at the discretion of the commission. The annual fee each license issued under this section shall be as required under RSA 178:29.

Source. 2003, 231:13, eff. July 1, 2003.

179:44 Free Drinks. -

- I. No licensee shall give away free drinks to customers, patrons, members or guests, in any manner.
- II. Notwithstanding the above, beverage manufacturers, beverage vendors, brew pubs, wholesale distributors and their liquor, or beer vendors, their liquor, and wine or beer representatives, domestic wine beverage manufacturers, and on-premises and off-premises licensees may conduct beverage, liquor, or beer tasting, for a fee or served complimentary as applicable on any, licensed premises. Liquor, beverage, or wine, or beer tasting shall be conducted only during such hours as are authorized by the commission for the sale of the product on the premises.
- III. Liquor, beverage, or wine, or beer samples shall be consumed on the premises, and liquor, or wine, or beer for this purpose shall be purchased from the commission or from licensed domestic beverage manufacturers. under conditions prescribed by this title. Beverage samples for a tastingshall only be obtained as prescribed by this title.
 - IV. The commission may adopt rules, pursuant to RSA 541-A, establishing the criteria

HB 276

Good afternoon Chairman Hunt and the rest of the Commerce and Consumer Affairs Committee

My name is Dr. Peter Oldak. I am the owner and winemaker and owner of Jewell Towne Vineyards in South Hampton. I am also President of NHWA.

The NH wine industry is still in its infancy but is one industry in NH which is growing at warp speed. When I appeared before the Commerce Committee, which was chaired by Rep. Hunt in 2002, there were 3 farm wineries in NH. We now have 27, with more on the way. There are domestic wine manufacturers in all 10 counties.

Last calendar year, the domestic wine manufacturers contributed over \$104,000 as excise taxes on locally made wine to the general fund.

As an industry, we are

- 1. Helping to keep NH green by keeping land in agriculture
- 2. Providing internships and jobs to our graduates, keeping our educated youth in the state.
- 3. We have been a magnet for tourism, drawing visitors from across the country and from around the world to visit us and thereafter support the economies of the local restaurants, resorts, hotels and motels, gift shops, service stations, grocery stores and the like.

The NHWA has proposed this piece of legislation to permit the holding of NH wine festivals. This particular bill combines 3 separate proposals:

1. The first authorizes the transport of wine to a festival for sale, as we already for at farmers' markets.

- 2. The second creates a Wine Festival License and Fee
- 3. The third exempts the domestic wine manufacturers from having to buy their own wine from the commission for sampling purposes.

Let me start with the Wine Festival License.

A wine festival is a great way to market and introduce domestic wines to the public, Last year, we partnered with the Department of Tourism and the Department of Agriculture to hold the first annual NH wine festival. We had to overcome massive amounts of red tape and needed special permits from the SLC.

178:31 Wine Festival License is modeled after 178:30, the Beer Festival License and relates to domestic wineries holding a festival. It has the same safeguards as the beer festivals including approvals by the fire, police, health departments, town officials, and SLC. This bill will go a long way to promoting domestically made wine.

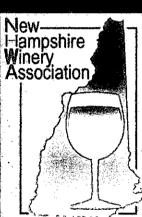
The first portion of this bill amends the domestic wine manufacturer's license allowing the transport and sale of wine at festivals, the same as they already do at farmers' markets.

The third section addresses an inherent contradiction in the wine sampling statute. Many of the domestic manufacturers are quite small, producing less than 1000 cases/year, and are not listed or sold by the SLC. Other wineries have chosen not to list some or all of their wine with the State. For those wineries which list their wine with the state, the current statute requires them to buy back their wine which is already in their own inventory.

FN This is a revenue producer. Wines sampled produce multiples of sales yielding significant excise revenue

New Hampshire Wineries





Visit 18 Wineries throughout NH.



NhWineryAssociation.com

1. Candia Vineyards 702 High Street Candia, NH 03034 (603)867-9751 www.CandiaVineyards.com

2. Crooked Tree Cider
35 Stickney Road
Whitefield, NH 03598
(603)837-9174
www.CrookedTreeCider.com

3. Farnum Hill Ciders 98 Poverty Lane Lebanon, NH 03766 (603)448-1511 www.PovertyLaneOrchards.com

4. Flag Hill Winery & Distillery 297 North River Road Lee, NH 03861 (603) 659-2949 www.FlagHill.com

5. Fulchino Vineyard 187 Pine Hill Road Hollis, NH 03049 (603) 886-0479 www.FulchinoVineyard.com

6. Gilmanton Winery & Vineyard 528 Meadow Pond Rd Gilmanton, NH 03237 (603) 267-8251

7. Haunting Whisper Vineyards 77 Oak Ridge Drive/ Rte 4 Danbury, NH 03230 (603) 768-5506 www.HauntingWhisper.com 8. Hermit Woods
56 Taylor Road
Sanbornton, NH 03269
(603) 253-7968
www.HermitWoods.com

Winery 112 Daniel Webster Highway Nashua, NH 03060 (603) 891-2477 www.GrapeTimeWinery.com

9. Incredibrew / Grape Time

10. Jewell Towne Vineyards
65 Jewell Street
Entrance: 183 Whitehall Road
South Hampton, NH 03827
(603) 394-0600
www.JewellTowneVineyards.com

11. LaBelle Winery 100 Chestnut Hill Road Amherst, NH 03031 (603) 828-2923 www.LabelleWineryNh.com

12. Moonlight Meadery
23 Londonderry Rd #17
Londonderry, NH 03053
(603) 216-2162
www.MoonLightMeadery.com

 13. The Vineyard at Seven Birches, LLC 1775 Benton Road North Haverhill, NH 03774 (603) 785-7678 www.SevenBirches.com

14. Stone Gate Vineyard 27 David Lewis Road Gilford, NH 03249 (603) 524-4348 www.StoneGateVineyard.com

15. Sweet Baby Vineyard 204 South Road Kensington, NH 03833 (603) 347-1738 www.SweetBabyVineyard.com

16. Silver Mountain Ciders Box 62 Lempster, NH 03605 (603) 477-2026 www.SilverMountainCiders.com

17. Walpole Mountain View Winery at Barnett Hill Vineyard 114 Barnett Hill Road Walpole, NH 03608 (603) 756-3948 www.BhVineyard.com

18. Zorvino Vineyards 226 Main Street Sandown, NH 03873 (603) 887-8463 www.Zorvino.com



NH Wineries Hours of Operation

Coastal Region:

- ❖Zorvino Vineyards Open: Daily from 12-5pm.
- → Jewell Towne Vinayards Open: Wed-Fri, 11-4; Sat-Sun 11-5pm.
- **♦Sweet Baby Vineyards Open: Sat-Sun, 12-5pm;** Mon-Fri by appt.
- ♦ Flag Hill Winery & Distillery Open: Wed-Sun, 11-5pm.

Valley Wineries:

- *Crooked Tree Cider Open: Weekends in October.
- ❖Farnum Hill Ciders at Poverty Lane Orchards -Open: Call ahead 603-448-1511.
- ❖Silver Mountain Ciders Open: Thu-Sun, 11-5 pm.
- **❖Walpole Mountain View Winery Open: Sat 11-6pm, Memorial day through 12/24.**
- **❖The Vineyard at Seven Birches** Open: ?

Merrimack Region:

- **♦• Candia Vineyards -** Open: Call ahead 603-867-9751.
- **❖ Fulchino Vineyards** Open: Visit website for dates & times.
- ❖Incredibrew / Grape Time Winery Open: Tue-Fri, 12-8pm; Sat, 9-5pm; Sun, 12-5pm.
- **♦ LaBelle Winery -** Open: Visit website for dates & times.
- ❖Moonlight Meadery Open: Wed-Sun, 11-7pm.

Lakes Region:

- **❖Gilmanton Winery & Vineyard** − Open: Apr-Dec, Daily, 1-5pm.
- ❖ Haunting Whisper Vineyards Open: May-Dec, Wed-Sun, 12-5pm.
- ❖Hermit Woods Open: Weekends starting in June, 11-5pm.
- **❖Stone Gate Vineyard -** Open: Jun-Early Nov, Sat-Sun 1-5pm.

Enjoy NH Mead, Grape & Fruit Wines:



NhWineryAssociation.com

Voting Sheets

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

EXECUTIVE SESSION on HB 276-FN

BILL TITLE:

relative to wine manufacturers.

DATE:

3-9-11

LOB ROOM:

302

Amendments:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

(Please attach record of roll call vote.)

Motions:

OTP OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Schlachman

Seconded by Rep. Manuse

Vote: 16-0 (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: Consent of Regular (Circle One)

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent:

Refer to Committee Report

Respectfully submitted,

Rep. Jim Headd, Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

EXECUTIVE SESSION on HB 276-FN

BILL TITLE:

relative to wine manufacturers.

DATE:

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302

Amendments:

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Seconded by Rep. Manus

Vote: 16-0 (Please attach record of roll call vote.)

Motions:

OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote:

(Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: Consent of Regular (Circle One)

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent:

Refer to Committee Report

Respectfully submitted,

Rep. Jim Headd, Clerk

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OFFICE OF THE HOUSE CLERK

COMMERCE AND CONSUMER AFFAIRS

PH Date:/	Exec Session Da	te: <u>3 19 1</u>			
Motion: OTT	Amendment #:				
MEMBER	YEAS	NAYS			
Hunt, John B, Chairman					
Coffey, Jennifer R, V Chairman					
Belanger, Ronald J					
Flanders, Donald H					
Quandt, Matt J					
Headd, James F					
Nevins, Chris F					
Palfrey, David J					
Sullivan, James M					
Bergevin, Jerry E					
Manuse, Andrew J					
Mauro, Donna C					
McGuinness, Sean M	/.				
Rice, Frederick C					
Taylor, Kathleen N					
Meader, David R					
Gidge, Kenneth N					
Schlachman, Donna L					
	,				
	16-0				
	1670				
	·				
TOTAL VOTE:					
Printed: 1/4/2011					

Committee Report

REGULAR CALENDAR

March 16, 2011

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on <u>COMMERCE AND CONSUMER</u>

<u>AFFAIRS</u> to which was referred HB276-FN,

AN ACT relative to wine manufacturers. Having considered the same, report the same with the recommendation that the bill OUGHT TO PASS.

Rep. Donna L Schlachman

FOR THE COMMITTEE

Original: House Clerk

Cc: Committee Bill File

COMMITTEE REPORT

Committee:	COMMERCE AND CONSUMER AFFAIRS
Bill Number:	HB276-FN
Title:	relative to wine manufacturers.
Date:	March 9, 2011
Consent Calendar:	NO
Recommendation:	OUGHT TO PASS

STATEMENT OF INTENT

This bill adds wine manufacturers to the existing state statute that licenses beer festivals and that already allows wines to be brought to farmers' markets. It sets fees in line with beer festivals while the statute applies to all wines, this bill will reduce red tape and make it easier for New Hampshire's 24 wineries to participate in New Hampshire wine festivals.

Vote 16-0.

Rep. Donna L Schlachman FOR THE COMMITTEE

Original: House Clerk

Cc: Committee Bill File

REGULAR CALENDAR

COMMERCE AND CONSUMER AFFAIRS

HB276-FN, relative to wine manufacturers. OUGHT TO PASS.

Rep. Donna L Schlachman for COMMERCE AND CONSUMER AFFAIRS. This bill adds wine manufacturers to the existing state statute that licenses beer festivals and that already allows wines to be brought to farmers' markets. It sets fees in line with beer festivals while the statute applies to all wines, this bill will reduce red tape and make it easier for New Hampshire's 24 wineries to participate in New Hampshire wine festivals. Vote 16-0.

Original: House Clerk

Cc: Committee Bill File

HB 276 Rep. Donna Schlachman OTP RC

This bill adds wine manufacturers to the existing state statute that licenses beer festivals and that already allows wines to be brought to farmers' markets. It sets fees in line with beer festivals while the statute applies to all wines, this bill will reduce red tape and make it easier for New Hampshire's 24 wineries to participate in New Hampshire wine festivals.



COMMITTEE REPORT

COMMITTEE:	Commerce & CA
BILL NUMBER:	276
TITLE:	
DATE:	3-9-// CONSENT CALENDAR: YES NO
	OUGHT TO PASS
	OUGHT TO PASS W/ AMENDMENT Amendment No.
	INEXPEDIENT TO LEGISLATE
	RE-REFER
. ' 🗆 :	INTERIM STUDY (Available only 2nd year of biennium)
STATEMENT OF IN	TENT:
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While	The statute applied to all wines me
- bill	will reduce red take and make it easier for New
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New Home	shire wine
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COMMITTEE VOTE	16-6 Denna Sch (achmon
	RESPECTFULLY SUBMITTED,
 Copy to Commit Use Another Rej 	port for Minority Report
Rev. 07/30/99	RepFor the Committee