

# Committee Report

**CONSENT CALENDAR**

**May 13, 2021**

**HOUSE OF REPRESENTATIVES**

**REPORT OF COMMITTEE**

**The Committee on Commerce and Consumer Affairs to  
which was referred SB 14,**

**AN ACT relative to the direct shipping of liquor.**

**Having considered the same, report the same with the  
recommendation that the bill OUGHT TO PASS.**

**Rep. John Hunt**

**FOR THE COMMITTEE**

## **COMMITTEE REPORT**

Committee:	<b>Commerce and Consumer Affairs</b>
Bill Number:	<b>SB 14</b>
Title:	<b>relative to the direct shipping of liquor.</b>
Date:	<b>May 13, 2021</b>
Consent Calendar:	<b>CONSENT</b>
Recommendation:	<b>OUGHT TO PASS</b>

### **STATEMENT OF INTENT**

This bill allows the New Hampshire Liquor Commission to register trade names with the Secretary of State with which to operate as a direct shipper of liquor and wine in this and other jurisdictions. This was a request of the Liquor Commission and the committee unanimously endorsed the change.

Vote 19-0.

Rep. John Hunt  
FOR THE COMMITTEE

Original: House Clerk  
Cc: Committee Bill File

## CONSENT CALENDAR

Commerce and Consumer Affairs

**SB 14**, relative to the direct shipping of liquor. **OUGHT TO PASS.**

Rep. John Hunt for Commerce and Consumer Affairs. This bill allows the New Hampshire Liquor Commission to register trade names with the Secretary of State with which to operate as a direct shipper of liquor and wine in this and other jurisdictions. This was a request of the Liquor Commission and the committee unanimously endorsed the change. **Vote 19-0.**

Original: House Clerk

Cc: Committee Bill File

**Archived:** Tuesday, June 1, 2021 10:15:30 AM

**From:** [JOHN HUNT](#)

**Sent:** Tuesday, May 25, 2021 11:12:17 AM

**To:** [Carrie Morris](#)

**Cc:** [Pam Smarling](#)

**Subject:** SB 14

**Importance:** Normal

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SB14

The New Hampshire Liquor commission may register trade names with the secretary of state with which to operate as a direct shipper of liquor and wine in this and other jurisdictions.

# Voting Sheets

**HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS**

**EXECUTIVE SESSION on SB 14**

**BILL TITLE:** relative to the direct shipping of liquor.

**DATE:** May 13, 2021

**LOB ROOM:** 306-308 Hybrid

**MOTIONS:** **OUGHT TO PASS**

Moved by Rep. Hunt

Seconded by Rep. Potucek

Vote: 19-0

**CONSENT CALENDAR: YES**

**Statement of Intent:** Refer to Committee Report

Respectfully submitted,

Rep Keith Ammon, Clerk

HOUSE COMMITTEE ON COMMERCE \_\_\_\_\_

EXECUTIVE SESSION ON HB SB14

**BILL TITLE:** relative to the direct shipping of liquor.

**DATE:** May 13, 2021

**LOB ROOM:** 306-308

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**MOTION: (Please check one box)**

- OTP       ITL       Retain (1<sup>st</sup> year)       Adoption of  
Amendment # \_\_\_\_\_  
 Interim Study (2<sup>nd</sup> year)      (if offered)

Moved by Rep. \_\_\_\_\_ Hunt \_\_\_\_\_      Seconded by Rep. \_\_\_\_\_ Potucek \_\_\_\_\_      Vote: 19-0

**MOTION: (Please check one box)**

- OTP     OTP/A     ITL     Retain (1<sup>st</sup> year)       Adoption of  
Amendment # \_\_\_\_\_  
 Interim Study (2<sup>nd</sup> year)      (if offered)

Moved by Rep. \_\_\_\_\_      Seconded by Rep. \_\_\_\_\_      Vote: \_\_\_\_\_

**MOTION: (Please check one box)**

- OTP     OTP/A     ITL     Retain (1<sup>st</sup> year)       Adoption of  
Amendment # \_\_\_\_\_  
 Interim Study (2<sup>nd</sup> year)      (if offered)

Moved by Rep. \_\_\_\_\_      Seconded by Rep. \_\_\_\_\_      Vote: \_\_\_\_\_

**MOTION: (Please check one box)**

- OTP     OTP/A     ITL     Retain (1<sup>st</sup> year)       Adoption of  
Amendment # \_\_\_\_\_  
 Interim Study (2<sup>nd</sup> year)      (if offered)

Moved by Rep. \_\_\_\_\_      Seconded by Rep. \_\_\_\_\_      Vote: \_\_\_\_\_

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**CONSENT CALENDAR?**        X   Yes      \_\_\_\_\_ No

**Minority Report?**      \_\_\_\_\_ Yes      \_\_\_\_\_ No      If yes, author, Rep.: \_\_\_\_\_      Motion: \_\_\_\_\_

Respectfully submitted, Rep.   AMMON  , Clerk



STATE OF NEW HAMPSHIRE  
OFFICE OF THE HOUSE CLERK



1/22/2021 9:55:55 AM  
Roll Call Committee Registers  
Report

2021 SESSION

Commerce and Consumer Affairs

Bill #: SB14 Motion: OTP AM #: \_\_\_\_\_ Exec Session Date: 5/13/2021

<u>Members</u>	<u>YEAS</u>	<u>Nays</u>	<u>NV</u>
Hunt, John B. Chairman	19		
Potucek, John M. Vice Chairman	1		
Osborne, Jason M.	2		
Ammon, Keith M. Clerk	3		
Abramson, Max	4		
Ham, Bonnie D.	5		
Depalma IV, Joseph	6		
Greeson, Jeffrey	7		
Johnson, Dawn M.	8		
Terry, Paul A.	9		
Bartlett, Christy D.	10		
Abel, Richard M.	11		
Herbert, Christopher J.	12		
Van Houten, Constance	13		
Fargo, Kristina M.	14		
Weston, Joyce	15		
Beaulieu, Jane E.	16		
Burroughs, Anita D.	17		
McAleer, Chris R.	18		
<b>TOTAL VOTE:</b>	19	0	

# Hearing Minutes

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

PUBLIC HEARING ON SB 14

**BILL TITLE:** relative to the direct shipping of liquor.

**DATE:** March 23, 2021

**LOB ROOM:** Remote                      **Time Public Hearing Called to Order:** 9:27 a.m.

**Time Adjourned:** 10:02 a.m.

**Committee Members:** Reps. Hunt, Potucek, Ammon, Osborne, Abramson, Ham, Depalma IV, Greeson, Johnson, Terry, Bartlett, Abel, Herbert, Van Houten, Fargo, Weston, Beaulieu, Burroughs and McAleer

**Bill Sponsors:**

Sen. D'Allesandro

Sen. Morse

TESTIMONY

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

Senator D'Allesandro

District 20. Prime sponsor. Last session, this bill passed the senate but wasn't included in an omnibus bill. The bill was refiled at the request of the liquor commission. A key component of state revenues is the sale of liquor. This bill would allow the liquor commission to ship liquor throughout the state and in other jurisdictions. This allows them to expand opportunities. We depend on revenues of the liquor commission every time we put a budget together. This gives the commission another opportunity in its toolkit to promote itself and add additional revenues to the state of New Hampshire.

Rep Weston

Q: Could you address the amendment?

A: I don't have the amendment before me.

Q: My question on the amendment, there's a pesky word "shall" in there. Would a small shop be required to apply for a direct shipper permit even if they're not interested?

A: I don't have the amendment. Someone from the commission could address that question.

Rep Hunt: Are you referring to Rep Lang's amendment? The amendment references allowing in-state manufacturers to be able to direct ship. Currently the only people able to direct ship into the state are from out of state.

Rep Potucek: Rep Lang asked me to introduce the amendment, drawn up by Legislative services.

Aiden Moore

Attorney for Liquor Commission. Senate bill 14 allows the liquor commission to register trade names with the secretary of state to operate as a direct shipper of liquor and wine. This bill allows us to be competitive as markets open across the country. This allows us to ship into other state from New Hampshire, as well as meet customer needs within the state of New Hampshire. We would also work with New Hampshire manufacturers to help enable direct shipping to gain more revenue for the state's general fund.

Rep Hunt

Q: We would have to make a determination whether Rep. Lang's amendment is germane. How do you feel about in-state producers be able to ship to consumers in NH?

A: Direct shipping was created largely with legislation introduced by Rep. Hunt to allow out-of-state shippers to register with the state and ship directly to consumers products that might not be available within the state. The change would extend the direct shipper permit process to every licensee within the state of NH. The amendment is pretty broad. Doesn't include rectifiers or nano-brewers. The word importer does not appear in title XIII. This would be a challenge to us if passed as written. Wholesalers – are we speaking about NH wholesalers? If so, they would need to be correctly identified by our statutes. If you are a wine manufacturer in NH, you'll have to pay a fee of \$100. Retailers are not defined in statute and we'd probably want additional clarity. Retailers would need to pay \$500 per fee schedule. You also expose them to the limitations on the quantities that they can ship. This can certainly be done but would need further clarification in statute so the commission can apply it clearly. SB125 addresses this issue from a prospective of intra-state shipment by NH licensees. Both bills would to be need examined to make sure definitions are adequate.

Rep Weston

Q: The amendment says "shall" and the commissioner read "may."

Rep Hunt: Shall is already in the statute. If you want to ship into NH, you shall get a direct shipper license. We would not want to force someone to get a license they don't want.

Rep Herbert

Q: How much time will it take to get a finished product? It sounded like a half to a dozen things that attorney Moore pointed out as a problem. I would appreciate the chairman lay out a road map to getting this bill ready to pass.

Rep Hunt: I was hoping to have SB125. Has it passed the Senate?

Moore: I believe it has.

Rep Hunt: I would assume we are all in favor of allowing shippers to take advantage and without an additional fee. Our deadline is May 27 to get all bills out of committee. If direct shipping is in SB125, I would prefer we take it up in that bill.

Rep Van Houten

Q: At this point, the amendment and the bill are still separate?

Rep Hunt: Correct.

Rep Lang

I brought this amendment because I thought NH distilleries and breweries should be on par with out of state. The title of SB125 is relative to beverage manufacturers. This is a parity bill to bring our in-state businesses in parity with what out of state businesses can do in NH. My opinion is in-state businesses should be able to capture business. Right now, they can't participate in a meaningful way.

Rep Hunt: We want them to be able to do this, the question is what is the best way to do this? My take is they wouldn't want to pay an extra fee. The purpose of the fee is the administrative costs to administer the direct shipment program. The fee may be not enough. I sponsored this bill over 20 years ago. Direct shipping inside the state, the consumer would need to pay an additional 8% tax. If

the product is made in NH it should be made available without the consumer needing to pay an 8% tax.

Rep Lang: The industry brought this to me, they want that option and are willing to pay for that option.

Kevin Daigle

VP of NH Grocers Association. We have not seen the amendment but do want to speak to the amendment. The broadening of the statute could have an economic impact to our retailers. We are not comfortable to making this change until it's been completely vetted and understand the extent of the ramifications.

Rep Hunt

Q: Can I buy beer from my instacart from grocer?

A: I believe you can.

Q: Why would consumers want to pay an 8% tax when they can buy it from you with no tax?

A: This would also allow distributors to sell direct to consumers.

HOUSE COMMITTEE ON COMMERCE & CONSUMER AFFAIRS

PUBLIC HEARING on Bill # SB14

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# House Remote Testify

## Commerce and Consumer Affairs Committee Testify List for Bill SB14 on 2021-C

Support: 4 Oppose: 0 Neutral: 0 Total to Testify: 2

[Export to Excel](#)

<u>Name</u>	<u>City, State</u> <u>Email Address</u>	<u>Title</u>	<u>Representing</u>	<u>Position</u>	<u>Testifying</u>	<u>Si</u>
Moore, aidan	Concord, NH aidan.moore@liquor.nh.gov	State Agency Staff	NH Liquor Commission	Support	Yes (2m)	3/
D'Allesandro, Lou	Manchester, NH dalas@leg.state.nh.us	An Elected Official	SD 20	Support	Yes (0m)	3/
Fordey, Nicole	Litchfield, NH nikkif610@gmail.com	A Member of the Public	Myself	Support	No	3/
DeMark, Richard	Meredith, NH demarknh114@gmail.com	A Member of the Public	Myself	Support	No	3/

# Testimony

Bill as  
Introduced

**SB 14 - AS INTRODUCED**

2021 SESSION

21-0607  
08/05

SENATE BILL        **14**

AN ACT            relative to the direct shipping of liquor.

SPONSORS:        Sen. D'Allesandro, Dist 20; Sen. Morse, Dist 22

COMMITTEE:      Commerce

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ANALYSIS

This bill allows the liquor commission to register trade names with the secretary of state to operate as a direct shipper of liquor and wine.

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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.

**SB 14 - AS INTRODUCED**

21-0607  
08/05

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty One*

AN ACT                   relative to the direct shipping of liquor.

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

1           1 New Paragraph; Commission to Sell; Liquor Commission. Amend RSA 176:11 by inserting  
2 after paragraph I the following new paragraph:

3           I-a. The commission may register trade names with the secretary of state with which to  
4 operate as a direct shipper of liquor and wine in this and other jurisdictions.

5           2 Effective Date. This act shall take effect 60 days after its passage.