

LEGISLATIVE COMMITTEE MINUTES

**SB14**

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

CHAPTER 112  
SB 14 - FINAL VERSION

2021 SESSION

21-0607  
08/05

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SB 14 - FINAL VERSION

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4 operate as a direct shipper of liquor and wine in this and other jurisdictions.

          112:2 Effective Date. This act shall take effect 60 days after its passage.

Approved: July 09, 2021

Effective Date: September 07, 2021

# Committee Minutes

## SENATE CALENDAR NOTICE

### Commerce

Sen Harold French, Chair  
Sen Bill Gannon, Vice Chair  
Sen Jeb Bradley, Member  
Sen Donna Soucy, Member  
Sen Kevin Cavanaugh, Member

Date: January 7, 2021

### HEARINGS

Monday	01/11/2021	
(Day)	(Date)	
Commerce	REMOTE 000	1:00 p.m.
(Name of Committee)	(Place)	(Time)
1:00 p.m.	SB 14	relative to the direct shipping of liquor.
1:10 p.m.	SB 17	relative to brew pubs allowing customers to bring dogs to outdoor areas.
1:25 p.m.	SB 18	permitting tastings by liquor manufacturers at farmers markets.

Committee members will receive secure Zoom invitations via email.

Members of the public may attend using the following links:

1. Link to Zoom Webinar: <https://zoom.us/j/97344950312>
2. To listen via telephone: Dial (for higher quality, dial a number based on your current location): 1-312-626-6799, or 1-646-558-8656, or 1-301-715-8592, or 1-346-248-7799, or 1-669-900-9128, or 1-253-215-8782
3. Or iPhone one-tap: 13126266799,,97344950312# or 16465588656,,97344950312#
4. Webinar ID: [973 4495 0312](https://zoom.us/j/97344950312)
5. To view/listen to this hearing on YouTube, use this link:  
<https://www.youtube.com/channel/UCiBZdtrjRnQdmg-2MPMiWrA>
6. To sign in to speak, register your position on a bill and/or submit testimony, use this link:  
<http://gencourt.state.nh.us/remotecommittee/senate.aspx>

The following email will be monitored throughout the meeting by someone who can assist with and alert the committee to any technical issues: [remotesenate@leg.state.nh.us](mailto:remotesenate@leg.state.nh.us) or call (603-271-6931).

**EXECUTIVE SESSION MAY FOLLOW**



**Sponsors:**

**SB 14**

Sen. D'Allesandro

Sen. Morse

**SB 17**

Sen. Birdsell

Sen. Gannon

Sen. Cavanaugh

Sen. Carson

Sen. Sherman

**SB 18**

Sen. Birdsell

Sen. French

Sen. Cavanaugh

Sen. Carson

Aaron Jones 271-4063

Harold F. French  
Chairman

**Senate Commerce Committee**  
*Aaron Jones 271-4063*

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

**Hearing Date:** January 11, 2021

**Time Opened:** 1:14 p.m.

**Time Closed:** 1:29 p.m.

**Members of the Committee Present:** Senators French, Gannon, Bradley, Soucy and Cavanaugh

**Members of the Committee Absent :** None

**Bill 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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**Sponsors:**

Sen. D'Allesandro

Sen. Morse

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**Who supports the bill:** Senator Lou D'Allesandro, Senator Chuck Morse, Chairman Joseph Mollica (New Hampshire Liquor Commission), Aidan Moore (New Hampshire Liquor Commission), Kevin Amacker (Cooper Cannon Distillery), Kevin Kurland (Smoky Quartz Distillery)

**Who opposes the bill:** No one

**Who is neutral on the bill:** Kate Frey (New Futures)

**Summary of testimony presented in support:**

Senator Lou D'Allesandro

- Last session, this bill passed the Senate; however, it wasn't included into an omnibus bill.
- This bill was refiled at the request of the New Hampshire Liquor Commission.
- A key component of state revenue is the profits produced by the sale of liquor.
- This bill would give the Commission the ability to directly ship liquor. In turn, this would allow the Commission to add another arrow in their quiver to promote the sale of spirits and wine throughout the state and nationally.
- Under Chairman Mollica's leadership, Senator D'Allesandro said the Commission has built new physical stores and created an online presence.

- Senator D’Allesandro emphasized that if the state was asking the Commission to produce revenue, then it was the responsibility of the state to give the Commission the tools it needs to raise that revenue.
- **Senator Gannon** assumed direct shipment of liquor existed, so he wondered if restaurants could go and pick up their alcohol directly at the liquor stores.
  - **Senator D’Allesandro** replied that he thought restaurants could be shipped to as well; however, this bill is geared towards allowing direct shipments to individuals. For example, a person could call in for a particular product and FedEx or USPS could be used to deliver it. Senator D’Allesandro reiterated that this process provides another tool for the Commission to use to expand their sales.

Chairman Joseph Mollica, New Hampshire Liquor Commission

- Recently, the Commission has launched numerous endeavors, such as launching a new website (liquorandwineoutlets.com) as well as offering curbside and in-store pick up at select locations.
- The main goal of direct shipment, according to Chairman Mollica, is for the Commission to remain competitive in an ever-changing marketplace. Another goal is to add additional revenue to the state coffers by offering roughly 17,000 skewers at outlet values to consumers both in-state and nationally.
- There are numerous states that offer varying forms of direct shipment. Some of those states have their products available in outlets across New Hampshire.
  - Five states and the District of Columbia allow spirits to be directly shipped. They’re Hawaii, Kentucky, Nebraska, New Hampshire, and Rhode Island.
  - Eight states allow beer and wine to be directly shipped. They’re Virginia, Vermont, Delaware, Massachusetts, Montana, North Dakota, Ohio, and Oregon.
  - Two states allow wine, beer, and mead to be directly shipped. They’re Connecticut and New Jersey.
- Chairman Mollica anticipated that the Commission would be able to launch their direct shipment system by mid-to-late September.
- The intention of the Commission is to start this in-state at first, then begin applying for licenses to ship to other states.
- The Commission is also committed to becoming a fulfillment center for forward facing venues, such as different wine and whiskey clubs. The New York Times Wine Club and the Wall Street Wine Club are examples of forward facing entities the Commission could become a fulfillment center for.
- **Senator French** asked if the state would be responsible for paying taxes on alcohol sent across state lines.
  - **Chairman Mollica** said that the entities created by the Commission, whether they’re LLCs or businesses, would be the ones able to collect and pay those taxes in other states.

- **Senator Cavanaugh** said that people in quarantine are grocery shopping via platforms like Instacart, so he wondered if this would be part of that.
  - **Chairman Mollica** replied that licensees in the state, such as Market Basket, can direct ship through any system like PeaPod. This bill would allow people to order their spirits and have them directly shipped to their home. A lot of the products carried within the Commission's warehouse, which aren't directly in their stores due to space limitations, would be available as well.
- **Senator Bradley** asked Chairman Mollica if he had thought of how this might increase fiscal revenue.
  - **Chairman Mollica** said they had thought of it; however, they weren't sure how many states they would be licensed in immediately. He said his goal is for direct shipment to consist of between 1 and 3 percent of total sales. This past year, according to Chairman Mollica, a lot of retailers have seen increased sales. Some stores have seen increases as high as 30 to 40 percent due to direct shipping. The liquor stores also have seen increases in sales as well as the number of consumers choosing to do curbside or in-store pick up. In fact, the Commission's revenues were up 4.3 percent, or \$3.1 million, from July 2020 through December 31<sup>st</sup>, 2020.

**Kevin Kurland, Owner of Smoky Quartz Distillery**

- Eight years ago, Mr. Kurland said he opened Smoky Quartz Distillery in Seabrook. Since then, the Commission has been his number one customer.
- Mr. Kurland said he receives calls from all over the country about his products; however, he cannot ship to them because it would require having a broker. According to him, out-of-state brokers would take most of his profits and the revenue would be outside of New Hampshire.
- He said he would rather continue partnering with the Liquor Commission and have them do the brokering, which would make the process simpler for him, make his customers happier, and help fill the coffers of the state.

**Kevin Blake Amacker, Owner of Cooper Cannon Distillery**

- Mr. Amacker said he owns Cooper Cannon Distillery, which is located in West Chesterfield.
- Similar to Mr. Kurland, he has received shipment requests from relatives out-of-state. In addition to this bill generating state revenue, it would help him grow his small business.

**Summary of testimony presented in opposition: None**

**Neutral Information Presented: None**

AJ

Date Hearing Report completed: January 14, 2021

# Speakers

# Commerce Committee Testify List for Bill SB14 on 2021-01-11

Support: 6 Oppose: 0 Neutral: 1 Total to Testify: 4

<u>Name</u>	<u>Representing</u>	<u>Position</u>	<u>Testifying</u>
D'Allesandro, Lou	SD20	Support	Yes
Morse, Chuck	Myself SD 22	Support	No
Mollica, Joseph	NHLC	Support	Yes
Moore, Aidan	NH Liquor Commission	Support	No
Amacker, Kevin	Myself	Support	Yes
Kurland, Kevin	Smoky Quartz Distillery, Seabrook NH	Support	Yes
Frey, Kathryn	New Futures	Neutral	No

# Voting Sheets

**Senate Commerce Committee**  
**EXECUTIVE SESSION RECORD**  
*2021-2022 Session*

Bill # SB 14

Hearing date: 1/11/2021

Executive Session date: 1/11/2021

Motion of: OTP Vote: 5-0

Committee Member	Made by	Second	Yes	No
Sen. French, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Gannon, V-Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Bradley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Cavanaugh	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Soucy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Motion of: Consent Vote: 5-0

Committee Member	Made by	Second	Yes	No
Sen. French, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Gannon, V-Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Bradley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Cavanaugh	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen. Soucy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Motion of: \_\_\_\_\_ Vote: \_\_\_\_\_

Committee Member	Made by	Second	Yes	No
Sen. French, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Gannon, V-Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Bradley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Cavanaugh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Soucy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reported out by: Sen. Soucy

Notes: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



# Committee Report

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE  
FOR THE CONSENT CALENDAR

Friday, January 15, 2021

THE COMMITTEE ON Commerce

to which was referred SB 14

AN ACT relative to the direct shipping of liquor.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS

BY A VOTE OF: 5-0

Senator Donna Soucy  
For the Committee

This bill, filed at the request of the Liquor Commission, will allow the Commission to directly ship liquor to consumers both in-state and nationally. In conjunction with other ongoing projects, such as the launching of a new online store and expanding curbside delivery, this would allow the Commission to remain competitive. Significantly, it is anticipated that this endeavor will increase revenues to the state.

Aaron Jones 271-4063

FOR THE CONSENT CALENDAR

**COMMERCE**

**SB 14**, relative to the direct shipping of liquor:

Ought to Pass, Vote 5-0.

Senator Donna Soucy for the committee.

This bill, filed at the request of the Liquor Commission, will allow the Commission to directly ship liquor to consumers both in-state and nationally. In conjunction with other ongoing projects, such as the launching of a new online store and expanding curbside delivery, this would allow the Commission to remain competitive. Significantly, it is anticipated that this endeavor will increase revenues to the state.

**Docket of SB14****Bill Title:** relative to the direct shipping of liquor.*Official Docket of SB14.:*

<b>Date</b>	<b>Body</b>	<b>Description</b>
1/5/2021	S	To Be <b>Introduced</b> 01/06/2021 and Referred to Commerce; <b>SJ 2</b>
1/7/2021	S	Remote <b>Hearing:</b> 01/11/2021, 01:00 pm; Links to join the hearing can be found in the Senate Calendar; <b>SC 6</b>
1/15/2021	S	Committee Report: Ought to Pass, 02/04/2021; Vote 5-0; CC; <b>SC 9</b>
2/4/2021	S	<b>Ought to Pass:</b> RC 23Y-1N, MA; OT3rdg; 02/04/2021; <b>SJ 3</b>
3/10/2021	H	Introduced (in recess of) 02/25/2021 and referred to Commerce and Consumer Affairs <b>HJ 4 P. 48</b>
3/23/2021	H	Public Hearing: 03/23/2021 09:20 am Members of the public may attend using the following link: To join the webinar: <a href="https://www.zoom.us/j/97167243328">https://www.zoom.us/j/97167243328</a> / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
5/5/2021	H	Executive Session: 05/13/2021 10:00 am Members of the public may attend using the following link: To join the webinar: <a href="https://www.zoom.us/j/93883325643">https://www.zoom.us/j/93883325643</a>
5/25/2021	H	Committee Report: Ought to Pass (Vote 19-0; CC) <b>HC 26 P. 4</b>
6/3/2021	H	<b>Ought to Pass:</b> MA VV 06/03/2021
7/1/2021	H	Enrolled (in recess of) 06/24/2021
7/1/2021	S	Enrolled Adopted, VV, (In recess 06/24/2021); <b>SJ 20</b>
7/13/2021	S	Signed by the Governor on 07/09/2021; Chapter 0112; Effective 09/07/2021

NH House

NH Senate

# Other Referrals

## Senate Inventory Checklist for Archives

Bill Number: SB 14

Senate Committee: Commerce

Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside

Final docket found on Bill Status

### Bill Hearing Documents: (Legislative Aides)

Bill version as it came to the committee

All Calendar Notices

Hearing Sign-up sheet(s)

Prepared testimony, presentations, & other submissions handed in at the public hearing

Hearing Report

Revised/Amended Fiscal Notes provided by the Senate Clerk's Office

### Committee Action Documents: (Legislative Aides)

All amendments considered in committee (including those not adopted):

\_\_\_ - amendment # \_\_\_      \_\_\_ - amendment # \_\_\_

\_\_\_ - amendment # \_\_\_      \_\_\_ - amendment # \_\_\_

Executive Session Sheet

Committee Report

### Floor Action Documents: (Clerk's Office)

All floor amendments considered by the body during session (only if they are offered to the senate):

\_\_\_ - amendment # \_\_\_      \_\_\_ - amendment # \_\_\_

\_\_\_ - amendment # \_\_\_      \_\_\_ - amendment # \_\_\_

### Post Floor Action: (if applicable) (Clerk's Office)

\_\_\_ Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):

\_\_\_ Enrolled Bill Amendment(s)

\_\_\_ Governor's Veto Message

### All available versions of the bill: (Clerk's Office)

\_\_\_ as amended by the senate      \_\_\_ as amended by the house

final version

Completed Committee Report File Delivered to the Senate Clerk's Office By:

ARION JONES  
Committee Aide

7/21/21  
Date

Senate Clerk's Office [Signature]