

**CONSENT CALENDAR**

**March 6, 2022**

**HOUSE OF REPRESENTATIVES**

**REPORT OF COMMITTEE**

**The Committee on Commerce and Consumer Affairs to  
which was referred HB 1039,**

**AN ACT relative to the definition of "beverage  
manufacturer retail outlet." Having considered the  
same, report the same with the following amendment,  
and the recommendation that the bill OUGHT TO PASS  
WITH AMENDMENT.**

**Rep. John Hunt**

**FOR THE COMMITTEE**

## COMMITTEE REPORT

Committee:	<b>Commerce and Consumer Affairs</b>
Bill Number:	<b>HB 1039</b>
Title:	<b>relative to the definition of "beverage manufacturer retail outlet."</b>
Date:	<b>March 6, 2022</b>
Consent Calendar:	<b>CONSENT</b>
Recommendation:	<b>OUGHT TO PASS WITH AMENDMENT 2022-0284h</b>

### STATEMENT OF INTENT

This bill as introduced removes the production and manufacturing requirements from the definition of "beverage manufacturer retail outlet." Last session a new law was passed to allow beverage manufacturers to have a second location for tastings. This bill clarifies that they do not need to make any beer on this new premise. The amendments to this were two other issues that were brought up, the first being to repeal an unused law allowing for licensees to get a multi year license. Nobody used it, and after the recent audit of the commission it was suggested to remove it from the statutes. The amendment also deleted the phrase "within a 90 day period" when an out of state "Direct Shipper" violates NH statutes that seems to implies that they can begin shipping again in 90 days.

Vote 18-0.

Rep. John Hunt  
FOR THE COMMITTEE

Original: House Clerk  
Cc: Committee Bill File

## CONSENT CALENDAR

Commerce and Consumer Affairs

**HB 1039**, relative to the definition of "beverage manufacturer retail outlet." **OUGHT TO PASS WITH AMENDMENT.**

Rep. John Hunt for Commerce and Consumer Affairs. This bill as introduced removes the production and manufacturing requirements from the definition of "beverage manufacturer retail outlet." Last session a new law was passed to allow beverage manufacturers to have a second location for tastings. This bill clarifies that they do not need to make any beer on this new premise. The amendments to this were two other issues that were brought up, the first being to repeal an unused law allowing for licensees to get a multi year license. Nobody used it, and after the recent audit of the commission it was suggested to remove it from the statutes. The amendment also deleted the phrase "within a 90 day period" when an out of state "Direct Shipper" violates NH statutes that seems to implies that they can begin shipping again in 90 days. **Vote 18-0.**

Original: House Clerk

Cc: Committee Bill File

Rep. Hunt, Ches. 11  
January 25, 2022  
2022-0284h  
08/04

Amendment to HB 1039

1 Amend the title of the bill by replacing it with the following:

2

3 AN ACT relative to the definition of "beverage manufacturer retail outlet" and certain  
4 liquor licenses and fees.

5

6 Amend the bill by replacing all after section 1 with the following:

7

8 2 Carrier Licenses. Amend RSA 178:14, III to read as follows:

9 III. A licensed carrier shall not transport any liquor, wine, or beverage [~~within a 90-day~~  
10 ~~period~~] that has been identified by the commission as originating from a person who does not hold a  
11 valid New Hampshire direct shipper permit, provided that such identification has first been provided  
12 to and received by the licensed carrier in writing. The commission shall notify carriers by mail on a  
13 monthly basis of the identity of unauthorized shippers, which notification shall be effective 15 days  
14 after such mailing. The commission may impose a fine by rule for violations within the reporting  
15 month per shipper.

16 3 Repeal. RSA 178:23, IV-V, relative to fees for multi-year licenses, are repealed.

17 4 Effective Date. This act shall take effect 60 days after its passage.

**2022-0284h**

**AMENDED ANALYSIS**

**This bill:**

**I. Removes the production and manufacturing requirements from the definition of "beverage manufacturer retail outlet."**

**II. Prohibits licensed carriers from transporting any liquor, wine, or beverage from a person without a direct shipper permit at any time.**

**III. Repeals provisions for multi-year liquor licenses.**

**HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS**

**EXECUTIVE SESSION on HB 1039**

**BILL TITLE:** relative to the definition of "beverage manufacturer retail outlet."

**DATE:** March 3, 2022

**LOB ROOM:** 302-304

**MOTIONS:            OUGHT TO PASS WITH AMENDMENT**

Moved by Rep. Hunt                                  Seconded by Rep. Potucek                                  AM Vote: 18-0

Amendment # 2022-0284h

Moved by Rep. Hunt                                  Seconded by Rep. Potucek                                  Vote: 18-0

**CONSENT CALENDAR: YES**

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

Respectfully submitted,

Rep Keith Ammon, Clerk



2022 SESSION

Commerce and Consumer Affairs

Bill #: HB1039 Motion: OTPA AM #: \_\_\_\_\_ Exec Session Date: 7/3/22

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



2022 SESSION

Commerce and Consumer Affairs

Bill #: HB1039 Motion: ~~S~~ O/P AM #: 204h Exec Session Date: 3/3/22

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



HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

SUBCOMMITTEE WORK SESSION on HB 1039

BILL TITLE: relative to the definition of "beverage manufacturer retail outlet."

DATE: 2/24/22

Subcommittee Members: Reps. Hunt, Potucek, Abramson, Van Houten and Beaulieu  
Greason

Comments and Recommendations:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MOTIONS: OTP, OTP/A, ITL, Retained (1st Yr), Interim Study (2nd Yr) 0284h  
(Please circle one)

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

Adoption of Amendment # \_\_\_\_\_

Moved by Rep. Hunt Seconded by Rep. Potucek Vote: 5-0

\_\_\_\_\_ Amendment Adopted \_\_\_\_\_ Amendment Failed

MOTIONS: OTP, OTP/A, ITL, Retained (1st Yr), Interim Study (2nd Yr)  
(Please circle one)

Moved by Rep. Hunt Seconded by Rep. Potucek AM Vote: \_\_\_\_\_

Adoption of Amendment # \_\_\_\_\_

Moved by Rep. \_\_\_\_\_ Seconded by Rep. \_\_\_\_\_ Vote: 5-0

\_\_\_\_\_ Amendment Adopted \_\_\_\_\_ Amendment Failed

Respectfully submitted,

Rep. [Signature]  
Subcommittee Chairman/Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

**SUBCOMMITTEE WORK SESSION** on HB 1039

**BILL TITLE:** relative to the definition of "beverage manufacturer retail outlet."

**DATE:** February 24, 2022

**Subcommittee Members:** Reps. Hunt, Potucek, Greeson, Van Houten and Beaulieu

**Comments and Recommendations:**

**MOTIONS:** OUGHT TO PASS WITH AMENDMENT

Moved by Rep. Hunt

Seconded by Rep. Potucek

AM Vote: 5-0

Amendment # 2022-0284h

Moved by Rep. Hunt

Seconded by Rep. Potucek

Vote: 5-0

Respectfully submitted,

Rep. John Hunt  
Subcommittee Chairman

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

PUBLIC HEARING ON HB 1039

**BILL TITLE:** relative to the definition of "beverage manufacturer retail outlet."

**DATE:** January 12, 2022

**LOB ROOM:** 302-304                      **Time Public Hearing Called to Order:** 10:10 a.m.

**Time Adjourned:** 10:35 a.m.

**Committee Members:** Reps. Hunt, Potucek, Ammon, Greeson, Johnson, Terry, Bartlett, Abel, Weston, Beaulieu and McAleer

**Bill Sponsors:**  
Rep. Hunt

TESTIMONY

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

Rep. Hunt

Good morning, Mr. Chairman and, uh, members of the commerce committee. I am representative hunt representing Ridge in Fitz, William. Uh, today I'm introducing, um, house bill 10 39, um, house bill 10 39, uh, was a, uh, resolution of, uh, a bill that we passed last year or the year before time gets a little fuzzy <laugh> with COVID, um, in which it was related to a beverage manufacturing, um, having a second location, uh, as some of you might remember, we did pass this similar legislation for wine a couple years ago. And at that time, one of the push, uh, points was, uh, did a, did someone who was making wine have to, um, manufacture wine in that extra location, which, you know, in the case, if you were, they were to do it in an outlet type environment, it might be kind of inappropriate for them to be making wine or beer or something in a, in a shopping mall. Um, at that time, the, the, the wine people were given, uh, the exemption that, that they could have that second location, uh, without having to manufacture when we passed the legislation, the language that was amended by the Senate. So, it's not our fault. Um, we just left it as it is, and nobody pointed out to us that this could been a problem, but then, uh, the department, uh, the commission did try to implement it and they were unsure about it. It was, uh, late resolved by the attorney General's office. So, we just want to clarify, uh, this amendment was to clarify it once and for all. So, we could still discuss whether we want to still go forward with just this language that's or whether we'll hang our hat on the AGS opinion. Having said that, uh, the department, um, and because I, this was a, even though it doesn't say department request, it was a sort of a housekeeping measure to resolve that issue. Um, we have two other issues that the department has come up with and they'll introduce to you. Um, I am in support of both of these issues. Um, I do see them as housekeeping, um, and ensuring that our laws are, are, are well addressed. Um, but, um, I'll, I'll let them introduce those amendments to you all. And with that, I will end my testimony.

Rep Bartlett

Q: I'm just a little bit confused about what the AG's determination was.

A: The determination was that they would not have to manufacture in that second outlet.

(Rep Hunt passes out amendment draft.)

Rep Hunt

Um, so just there's two sections. The first section was, um, uh, maybe this is what was it. So back in 2003, and I don't actually remember this, because I was probably around doing this in 2003. Right. I see here is 2003 that in our wisdom, uh, we allowed a license to be multiyear. Not sure. I guess we could, we could, this would be a good project for Kristen to go back and, and pull a, uh, exactly what was the reasoning behind our deciding to have a multiyear license. However, um, and you'll certainly hear more about it when we finally do get to hear the other bill 1591, but, um, the audit, uh, that the, the liquor commission went through pointed out that since no, none of these multi-year licenses were ever issued, why are you keeping it on your statute? So, uh, that we can do a little homework on figuring out why it was passed in the first place and then whether they're right, that we should just take and remove it. Um, maybe it's the department is supposed to, or the commission is supposed to be promoting it more that they can, you can get your license for multi a year, but I'm pretty sure most licensees, um, only like to write a check, they're more willing to write a check every year, rather than one big fat check every two to three years. But so that's, that's what the first section is. And the second section, uh, is addressing my, my favorite law near and dear to my heart is the direct shipping law. And, um, the direct shipping law has a statute related to the carriers, which is going to be ups and FedEx and in it. Um, I, and I have to admit again, I don't remember exactly why we put in this, um, 90-day period. It, I believe the way my memory was that if you, if you were a bad boy, then you were going to be cut off for 90 days, but we're assuming that within that 90 days, you would've, uh, done whatever you needed to, um, correct the, pay your taxes. And evidently, we're finding that some don't. And so we want to make sure that they don't think that after 90 days they can suddenly ship again <laugh> until not pay the fine. So, uh, we, that, that's why they want to remove that 90-day period.

Rep Bartlett

Q: Is it unusual to have an amendment printed out by the Liquor Commission not by OLS?

A: Yes. The subcommittee would have to decide to change the language. Bringing it up now to start the conversation. And so that they could have waited to the subcommittee to bring this up, but it, it was just the fact that we, um, we now found that the first issue, the main underlying issue with the bill probably is not, not necessary that I thought maybe it was a good idea to bring in these things at the same time. So, everybody has a chance to see them and hear them.

Q: You're considering HB1039 just housekeeping?

A: Yes. This is absolutely housekeeping.

Rep Terry

Q: "within a 90-day period" is underlined but not struck through. Did you intend for that to be struck through (removed)?

A: The next page contains the actual language for the amendment. The first page is the narrative, and the second page is what the amendment would look like.

Rep Weston

Q: The first line 178:23 you should probably strike through "and multiple year" from the heading.

A: We'll address in subcommittee.

Rep Abel

Q: Could we get more information about how common direct shippers run into difficulty not paying taxes or other things?

A: Chief of enforcement is here and can answer that question.

Mark Armaganian, Chief of LC enforcement

I'm the chief of enforcement, uh, and licensing for the liquor commission. Uh, some of you might recognize me from my years prior. I was with state police for 28 years as a bureau commander over there. Um, as, uh, representative hunt has, uh, mentioned, uh, previous to us, uh, the is a housekeeping 100% a housekeeping bill, um, that, uh, we are supporting, um, there were items, one item that was brought up in our, uh, audit that was to, uh, uh, disallow the multiple year. Okay. Uh, because nobody had asked for it when it'd been on the books for a long time. Um, the 90 day I have with me today, uh, Lieutenant Matt Culver, he's our, uh, uh, administrative, uh, commander. And, and he, uh, has been working on this project for quite a long time with industry, uh, to figure it out. And, uh, he can speak to the number that were mentioned just, just prior to us, uh, coming up here, Matt, go. Thank you.

Matthew Culver

Thank you, chief, uh, chairman and committee members. Uh, thank you for allowing me to the opportunity to address this, to answer your question specifically in, in 2021, the, uh, direct shipping program, uh, it, it has become immensely popular. Um, with our out-of-state, uh, permits currently we have about 1,363 PRIs licensed to the state of New Hampshire who are allowed to direct ship from their businesses out of state, directly to consumers within the state. They do, but that, by the means of carrier licenses with the carrier licenses, we have three carriers who deal directly with the direct shipping program. Though those are FedEx, FedEx ground, and UPS under the carrier licenses. What the amendment to the bill is before you today. And that in that law says that, um, there's a 90-day restriction on businesses who have not obtained a direct shipping permit who are shipping into the state of New Hampshire. When that happens, it's considered an illegal shipment, right? They don't have a, a, uh, permit to ship directly into the state. Those occurrences are, are happening. Last year, we, um, had 154,480 shipments into the state of New Hampshire, 1,510 of those were considered illegal shipments, our internal processes. When that happens, when a legal shipment, the first illegal shipment is made into the state, we send that business a letter, a letter, inconsistent with our education process in, in bringing the licensees into compliance or the businesses into compliance. We explain the law to them. We encourage them to get a direct shipping permit. If they ship again, then they're put on this 90-day list. The 90-day list is updated every month at the first of the month and redistribute it out to all of the carriers that tells the carriers, the businesses throughout the country that are they're prohibited from delivering those products to the residences. Okay. So, they, they send the products by act to the businesses after those 90 days, they come off of that list. So, businesses throughout the country have figured out that exactly at 90 days, they're going to come off the list and there's no consequences to them. So, they will ship 25 50 packages. Every Christmas season know that they're going to get put on the 90-day list, wait the three months and do it again the next year. And that is circumventing all of the, the laws that we've put in place to prohibit this from happening. Now, the logical question there is how much revenue is being lost from this. We simply don't have that answer because we don't know what was shipped. We only know the carrier reports that we receive on the packages that are being delivered, not what's in there. The 8% fee that is charged to the direct shippers is based on how a retail value. So how many bottles are being sold directly to that consumer?

Rep Potucek

Q: Is the fee 8%?

A: We charge 8% based on the retail value of what they're shipping. If they ship a bottle for \$10 it costs them 80 cents.

Q: Because I tried to order something, uh, from a, a place in Arizona. Uh, and they said they couldn't ship to New Hampshire. So, if I know what this is, then I can relay that information to them so that they can, you know, expand their base into New Hampshire and you guys will get some revenue for it.

A: Absolutely.

Rep Terry

Q: How do you ascertain what and how much is shipped into the state, legally or illegally? Do you get reports from FedEx? What kind of formal relationship do you have with FedEx and UPS for them to report to you what they're doing?

A: So, by law, and thank you for the question by law. They're required both the carriers and the direct shippers by the 15th of the month are required to report to us the carriers report, what they've delivered, the direct shippers report, what they've shipped, those reports are reconciled. So, we can tell off of the carrier reports, what is been deliver without being shipped. That's how we ascertain the illegal shipments.

Rep McAleer

Q: So, as I understand it, the, the shipper UPS is not held responsible at all. They just have to do the reporting, but they, they don't lose the ability to ship.

A: So, the ups FedEx or FedEx ground are the carriers, right. And the carriers, if they make a delivery of a package that is on that list, uh, the administrative fine for that is \$100. So, oh, that's how they're held accountable for that.

Q: So, I get a, uh, a shipment of, of six bottles of wine for, from the wall street wine folks, um, that comes under this and the shipper has to notify that they shipped it to my address?

A: Correct. On a monthly basis, those reports include the carrier reports include the addresses of where they're delivering this product.

Rep Terry

Q: So, um, um, at the risk of getting down too much into the weeds here for everybody, uh, you, you receive, or you, you, if, if, if a, if your department determines that a shipment was made illegally, do you on a periodic basis notify the ship or who those illegal shippers, the shippers are, who are making illegal shipments, then should I stop there? Am I correct? So far?

A: Yes

Q: So, so then if ups or FedEx continues to ship and you ascertain that they shipped, even once they have been notified that shipper is shipping illegally, then you are able to hold the shipper liable for that and to find the shipper?

A: That is correct.

Q: So, if I might, with an example, you were, you, you spoke about Christmas once a year, so you would, uh, you, they would not know that in advance because the shipper is not on the list yet. So, if you determine that a Christmas shipment was shipped illegally, then you notify FedEx and ups and then, and do they then know that, uh, restriction is in effect for 90 days only?

A: Yes, the carriers would, but I, I think there might be some confusion still on the process of that. Thank you. Um, and thank you again for the question. Uh, so the, the carriers, when a shipment is made and delivered by the carrier in, in that shipment, based on the reports are due to the commission by the 15th of the month. So on the 15 of the month is when we do that reconcile, uh, reconciling between the reports and identify what illegal shipments are made. If an illegal shipment is found in that we send a letter to the direct ship, the shipping, the business without a permit, I

guess, is the best way to explain it. The non-licensed permitting business, and we explain to them that they're in violation of RSA 178, 81 shipping without a license on their first offense. So they they're giving one chance to come back and get and obtain a, a permit with us. We educate 'em on the log. We educate 'em on being a violation of the law. We encourage 'em to get a permit through the commission. If they ship again, then at the beginning of each month, we put them on the 90-day list. We give that list to the carriers, the carriers have 15 days to update their records, and then they can no longer deliver any packages that come from the non-permitted, uh, license or non-permitted business.

Rep Greeson

Q: I see in current statute where you can find the shipper, if they knowingly ship an illegal shipment, is there any attempt to collect from the, the unlicensed business?

A: Those considerations have been made are only alternative for a violation of 178. One is a class B felony class B felony for out-of-state businesses. Uh, I mean, provide some complications. You're talking about extradition and back into the state. It, it is, um, not something that has been pursued at this time.

Mark Armaganian: If I can add to that, it has been pursued in the past. And, uh, the cost effectiveness has come into play for the amount of tax that is being, um, uh, reconciled at that point. So, we we're playing against that also. Uh, but that was through a different administration.

Rep Abel

Q: Do most states have a similar process, those that allow out of state shipping? How common is this process?

A: Yes, many states have direct shipping programs. These are consistent with that. I don't know about the 90-day requirement. I could research that, but I don't have that offhand.





# House Remote Testify

## Commerce and Consumer Affairs Committee Testify List for Bill HB1039 on 2022-01-12

Support: 3 Oppose: 0 Neutral: 1 Total to Testify: 0

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>Non-Germane</u>	<u>Signed Up</u>
Moore, Aidan	Concord, NH aidan.moore@liquor.nh.gov	State Agency Staff	NH Liquor Commission	Support	No	No	1/11/2022 10:35 AM
Provencher, Andrew	Concord, NH andrew@bfreshconsulting.com	A Lobbyist	New Hampshire Brewers Association	Support	No	No	1/11/2022 2:15 PM
Neves, Kirsten	Conway, NH kirsten@tuckermanbrewing.com	A Member of the Public	Tuckerman Brewing, Conway, NH	Support	No	No	1/12/2022 9:26 AM
Abramson, Max	Seabrook, NH Max.Abramson@leg.state.nh.us	An Elected Official	Myself	Neutral	No	No	1/12/2022 9:56 AM

Date: April 23, 2003  
Time: 1:45 p.m.  
Room: 102 LOB

The Senate Committee on Executive Departments and Administration held a hearing on the following:

HB 646-FN relative to liquor licenses and fees.

Members of Committee present: Senator Prescott  
Senator Cohen  
Senator Estabrook  
Senator Kenney  
Senator Peterson

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The Chair, Senator Russell Prescott, opened the hearing.

I'd like to open up the hearing on HB 646. I'm pleased to see the prime sponsor is here. Representative Francoeur. Thank you very much for coming.

Representative Francoeur: Thank you Mr. Chairman. I'm glad to beat you downstairs from the other meeting that I have to get back. For the record I'm Representative Sheila Francoeur representing Rockingham District 85 and I'm here to introduce HB 646. HB 646 is a reincarnation of a bill that we had last session in Commerce and then it went on to Ways & Means. Ways & Means held onto it into interim study and recommended further legislation. That's the legislation that you have in front of you. This bill has a history of reviewing licensing processing and fees for over five years. As I said, Commerce started working on this bill two years ago, working with the industry associations, interested parties and certainly the liquor commission. I think that what we have done here has streamlined and modernized the licensing process. The only amendments that we did in the house this year was a little tweaking of fees, a little streamlining and I also have for you and I will give to your clerk is a new amendment for your consideration dealing with off site catering. The people behind me will certainly speak to that. All

the experts are behind me. But I'd be happy to answer any questions if I may.

Senator Russell E. Prescott, D. 23: Any questions? Senator Estabrook.

Senator Iris Estabrook, D. 21: Thank you very much. Are you going to leave to the experts to outline what the changes are from current law?

Representative Francoeur: Absolutely.

Senator Iris Estabrook, D. 21: Could you give us the bill number from last session to which you are referring?

Unidentified Speaker: 710

Representative Francoeur: 710. I told you the experts were behind me.

Senator Russell E. Prescott, D. 23: Senator Peterson.

Senator Andrew R. Peterson, D. 11: Is this all new law or is it just the bold areas that are new?

Representative Francoeur: It's not new law senator. It's just a review and a streamlining of our liquor laws that should have been done quite some time ago.

Senator Andrew R. Peterson, D. 11: So are the strikes and the bolds basically the new law that we see in here? My understanding is that on average that there are 15 pages of agency rules for every page in law. So that would be hundreds of pages of strictures for the citizens of the state. That might give me some pause.

Representative Francoeur: Oh I don't think that will happen. We wouldn't want to do that. As it is I was just telling the commissioner I think I have been establishing a reputation over in legislative services of having the biggest bill.

Senator Russell E. Prescott, D. 23: I noticed that there were no other sponsors were on it with you. Is that because you are the one who spent so much time on this bill in the past that you feel so much more comfortable to be on it?

Representative Francoeur: No I think it was just that the commissioner and the department asked me to sponsor it. I was familiar with it because we did do quite a bit of work on it in commerce last session. I was more than happy to do because I think it is important that we get this done.

Senator Russell E. Prescott, D. 23: Any further questions? Seeing none we'll wait for the experts. Thank you. Any other Senators or Representatives wishing to speak on this bill? If there are no objections I'm going to start with the next person on the list which would be John Byrne.

John Byrne, New Hampshire Liquor Commission: Thank you senator. For the record my name is John Byrne, Commissioner of the New Hampshire Liquor Commission. I have been living with this bill for five years. I'm going to briefly give some testimony and then I'll be glad to answer any questions that I possibly can. As Representative Francoeur has stated, this has been a five-year effort on behalf of the commission. It began internally in the commission when myself and the Chief of the Bureau of Enforcement of Licensing felt that what we needed to do with Title 13 and especially with Chapter 178 was to recodify and streamline it in a way that when someone comes in to get licensed for alcoholic beverages, either distribution or sales that it reads as a road map for them to be officially licensed by the State of New Hampshire. We had a bill go into the legislative session last biennium, House Bill 710 that was more inclusive than what you see here. The bill that we have here in front of us deals primarily with changes with the wholesale end of the business. I'll explain those changes. The House Bill 710 also dealt with some substantial changes on the retail side of licensing for restaurants and grocery stores. Those changes are not in this bill. Those changes ran against some opposition or greater discussion and what we felt was that we'd take that out and continue the discussion and move ahead with the wholesale which was something that industry representatives were agreeing to streamline. So the 710 of last year has been cut down. All of the retail licensing changes have been taken out of the bill and they remain just as they are in Title 13. Title 13 is the law for the commission to license the sale and distribution of alcoholic beverages in the State of New Hampshire. What this bill will do is to streamline that licensing process. But many of the changes that you see in this bill are cosmetic. Many of the changes as you go through it you will see that we had to change terminology to be modernistic. We had old terminology in the bill. We had "on sale licensee, off sale licensee". They are now referred to as "on premise, off premise". On premise where you consume alcohol at the location, the restaurant. Off premise where you purchase a beverage and take it home. A lot of the changes as you will see throughout, the strike throughs are just terminology changes. Other changes that give this such depth is that if you begin on page 3, chapter 178, liquor licenses and fees, we recodified and restructured and moved around existing

law and put it in an order so that when someone's looking, the licensing process it reads in order. To do that we had to change and we had different sites if you will and those are changes that we had to make and those are strike throughs as well. However there are some major changes in the bill. I'd like to go over those. One of the changes is we've repealed, as an example of the modernization we're talking about. We repealed the Beverage Vendor Importer License. We put it in now that we used to have a Beverage Vendor License and a Beverage Vendor Importer License, domestic beer vs. a foreign beer. Companies will come in and get a license to ship either one of them. Now under definition and under law you get a Beverage Vendor License that covers domestic and foreign beer. There is one license for the vendor. We're likewise combining existing law as a Liquor Vendor License separate from a Wine Vendor License. We're combining these into a Liquor and Wine Vendor License. Reason being in today's universe of doing business in the alcoholic beverage industry, most companies aren't just spirit companies, aren't just wine companies. Even if they are they could have that license and do just spirits and just wines, a combined license.

Senator Russell E. Prescott, D. 23: Senator Peterson has a question.

Senator Andrew R. Peterson, D. 11: I'm sorry to interrupt you. Would it be possible for you to give us the sites of where you're speaking as you go? It's a long bill and if that's too difficult for you.

Mr. Byrne: I can site from now on. Those two changes are two definitions that are no longer in the bill. So we've combined them into a liquor and wine. If you go to page.

Senator Andrew R. Peterson, D. 11: Where would I find the new definition?

Mr. Byrne: The liquor and wine vendor license is on page 9, section 179:9, 178:9. Its on line 14. That is the combination of the liquor and the vendor license.

Senator Russell E. Prescott, D. 23: Senator Estabrook.

Senator Iris Estabrook, D. 21: I had a similar concern. I think it would be helpful if we started at the beginning and even if you said that these changes are housekeeping change reference in the statutes such as (inaudible)

Mr. Byrne: We can go right to page 2. First change here on page 2 is on line, I want to make sure I have the right line for you because I have a different copy. Line 8, Private club. This is a new definition. All of the other language that is in there is existing law except for the site. Currently under our law

we have a social club, fraternal club and a military club license. By definition we have had a couple of clubs come in, dinner clubs. People getting together, coming in for a license for a dinner club, they don't fit that definition.

Senator Andrew R. Peterson, D. 11: You have a college club as well.

Mr. Byrne: We do have a college club as well, a license. This definition if you see will follow the same rules, regulations and laws of a social club, veterans club or a military club. But in the sense of a social club they are not tied into the national organization with a charter. They may be just, as an example, there is a dinner club in Portsmouth that has been licensed. It was very difficult getting them a license. 100 Market Street because they didn't fit into our licensing scheme. It was a collection of individuals getting together, poured all of their resources together and they wished to have a liquor and wine license to serve food with their dinner. We ended up getting them a license but when we went through that process we found that there is a need here for this. There's another club on the Seacoast. It's the Swim Club. It didn't fit into the social club. The social club definition which is existing law, it won't change, you have to be in existence for one year. A lot of these people just got together, just put the club together, we felt that this was a good definition to add. That's what the Private Club does.

Do you wish me to go over, like on line 26 of page 2 you can see there where it's highlighted it says "on premises and off premises" and then on 33 where it changes the sites. What that basically is because the section has been restructured we had to change the site but the law hasn't changed.

The next change is actually on page 8. All of the language between now and page 8 is existing law. On page 8 on line 16 there is a new license called a rectifier license. What we have in current law is what you see above that, the Liquor Manufacturer Law. We're adding a rectifier license. The difference here is that a liquor manufacturer distills the product. A rectifier blends and bottles the product. We actually have a large rectifier in the state. It's Jenkins down in Londonderry. They have been licensed under the Liquor Manufacturer. It's not the correct license. We've also had some inquiries from some wineries who want to rectify some brandies. Having this license will allow us to have other rectifiers in the state.

Senator Russell E. Prescott, D. 23: Will it allow a small, for their own enjoyment, wine maker of honey wine? Will that allow them to get a license to sell their honey wine? Will a rectifier license allow them to do that?

Mr. Byrne: No they would probably have to go under a wine manufacturers license which is the next section down, 178:8 on line 25 of page 8.

Senator Russell E. Prescott, D. 23: Is that existing law?

Mr. Byrne: That is existing law.

Senator Russell E. Prescott, D. 23: Is honey wine recognized?

Mr. Byrne: I don't know it so I'm not sure. Wine is made from a lot of fruit. It's not unusual to have apricot wine so maybe. I don't know what the market is for it Senator.

Senator Russell E. Prescott, D. 23: Thank you so much.

Mr. Byrne: So the rectifier license is basically an added new license.

Senator Russell E. Prescott, D. 23: thank you.

Mr. Byrne: The next major change.

Senator Russell E. Prescott, D. 23: Senator Peterson.

Senator Andrew R. Peterson, D. 11: Just so that I can understand and perhaps wake myself up. The rectifier, that's basically a wholesaler? Is that correct?

Mr. Byrne: That's a bottler. What a rectifier will do, a rectifier will age, blend and bottle and sell to us.

Senator Andrew R. Peterson, D. 11: So someone who will repackage, middleman, retailer.

Mr. Byrne: The next change is on page 9. Line 24, liquor and representative license. The change we did here was actually on line 30 where it says, "a liquor and wine representative may employ sales persons who shall carry a copy of the representative's license." Current law, we have each salespersons licensed individually with the commissioner. At a cost of \$72 per license. There's over 150 salespersons licensed. From our perspective, what we're doing with this change is we're licensing the brokerage itself. We're licensing the business. We're increasing the fee on that which I'll talk too later. We're saying that if we're licensing the business they can have as many salespersons as they want as long as that salesperson carries a copy of the license of the business with them when they're doing business instead. That's a substantive change.

Senator Russell E. Prescott, D. 23: That's where the \$36,000?

Mr. Byrne: There were three items there. The brokers license, the beverage license and the carrier license. All changes very similar to that. I'm going to go over each one of them right now.

Senator Russell E. Prescott, D. 23: That's the total fiscal impact?

Mr. Byrne: Yes. The next change is the carrier's license, which would be on page 11 line 31. Actually line 35 is the change. Again it says a copy of the carrier's license shall be carried in each vehicle used to transport beverage or liquor. Current law, we license each vehicle. Each vehicle by carrier has to come in, get an application, fill it out, we license that vehicle. What we're saying here in the changes again we will license Ross Transportation, we license them and they have to have a copy of the license in each vehicle when it's transporting. That also adds an impact. The cost of each of this was \$6 per license. We are doing away with that \$6 but we did not change the actual cost to the carrier license.

The next change is on the next page under wholesale distributor. Line 25. Representatives of wholesale distributors shall carry a copy of the wholesale distributor license. This is the same change that we did with the brokers.

Now as we go forward starting on page 13 all the way through to page 28 there are no changes to existing law. They may have a different section like 178-28 today may be 178-22 in current law, 178 in this. There is no change in the actual law itself. These are all retail licensees. A combination license, on premise, off premise.

Senator Andrew R. Peterson, D. 11: Is the Alpine Slide referred to on page 17 a type of drink?

Mr. Byrne: No it isn't. It is an Alpine Slide. In order to have the service of alcohol beverage at an Alpine Slide in the State of New Hampshire we had to have a definition of an Alpine Slide in order to get a liquor license.

Senator Andrew R. Peterson, D. 11: I do have one serious question about this area though. If we're going all the way to 28, I'm sorry to detain you, but I do wonder about the college clubs. I understand that they are part of existing law. We have, they're found on page 19 on lines 24 and 25. We have a bill before us in the Senate Judiciary which has passed the house that has to do with house parties and the person sponsoring the house party would be guilty of a misdemeanor and carrying up to a year in jail. If they have a party and more than 5 people who are there are under 21 and one of them drinks. Is



there any relevance between that type of legislation and what goes on in college clubs?

Mr. Byrne: My own experience with the college clubs is I visited one one time. The college club at St. Anselm's. On campus it is a school run facility that is licensed to serve alcohol to people of adult age at St. Anselm's. They are licensed under these provisions of college club. They are covered by all of the laws of title 13 as far as service to underage or over service. It is two ways in which a college club if they violate RSA 179:5 which is underage and over service. There are two ways in which the judicial system or the administrative system handles it. One if you come to us and they are brought forward and that is an administrative penalty. For the first violation they would get a fine up to \$500 or suspension of a license up to 7 days. If they had 5 violations within a 3-year period then their license would be revoked. If it was, whether our enforcement agents or whether it was a local policing department that sought, cited the violation, took it into the district court, they would be cited for a misdemeanor. If they're incorporated, that's only if they are a partnership with an individual. If they are incorporated they would be cited for a felony. If they are convicted of a felony they will automatically lose their license administratively with the commissioner. That's the scheme of enforcement for an underage or over service of a licensed college club. I'm not familiar with the bill you're talking about.

Senator Andrew R. Peterson, D. 11: It would seem that the bill has some real impact, particularly on fraternities and so forth and other activities at college. I just wondered how this college club, it was licensed obviously in a separate, fits into it. I thank you for the explanation.

Mr. Byrne: The next change again, all these are the existing retail licenses, the change that comes on page, actually page 28, line 34 is the inclusion of club private at \$1200. That's the same amount for license that social clubs and veterans clubs pay for license. So that's the exact same amount. On page 29, actually it's the next page, page 30, line 8, wholesale distributor license. This is a change. This is an increase in that license fee. From \$1920 to \$2500. Again we did away with the sales representative persons license that they don't have to pay under this new bill. So we increased the license fee for the wholesale distributors. The same if you look down on line 22. Wine and liquor representatives. Line 21 and 22. Currently a wine and liquor would pay \$156 for their license. Since we're doing away with the fees that they're paying for the salespersons. We have changed that so if they have 4 or fewer salespersons it's a \$500 license, 5 more, it's a \$1000. My discussion with the industry is that it is not onerous. That they agree to that change to save on the paperwork.

The remainder of the changes, if you look on page 32 and 33 are strikethroughs. But strikethroughs are basically as I mentioned in the beginning of licenses that are going away, like the beverage vendor importer license and reference to on premise and off premise. Two other changes in the bill, I'm going to jump you back to page 15, this is new law. On line 29 of page 15 that begins with "the permission of the commission a licensee may charge a fee for the consumption of privately owned table wine stored on the premises and consumed with the purchase of a full course meal. This is new law. This is a corkage fee that a licensee, a restaurant, XYZ restaurant is licensed for us for a full service restaurant to serve beer, wine and spirits. Under this they could have an individual who is a clientele who could have a wine bin. Wine that they have purchased themselves, brought in and stored on the facility that they can have their own wine, with their meal provided they buy a full course dinner. If a fee is charged by the licensee it is a pouring fee. It is not a fee for the state. It is a fee that the licensee charges the customer and the customer pays. It is a very common practice in many places around the country. I don't know if you've been down to Morton's Steakhouse in Boston recently. You walk in and you see all of these bins on the right hand side. It's also a very good, from my perspective, a good economic development opportunity for restaurants. The importation of alcoholic beverages into the state as governed by title 13. All of us are allowed only to bring in 3 quarts of wine and liquor into the state. The assumption is that the alcohol in that bin was brought in and purchased legally through the commission. It's in the bin and we can always do a check if there was ever a question about that. We could always do an audit and find out. This is something that the Hospitality Association has been discussing with us for awhile and we think it's a good change in law.

Senator Andrew R. Peterson, D. 11: I'm sorry to be something of a corker but is this when somebody brings their own bottle to the restaurant?

Mr. Byrne: That's right but they can't bring it. They have to have it stored there. Now what you can do, you can't bring your own product in there unless. They don't have a liquor license. You can bring all the product.

Senator Andrew R. Peterson, D. 11: There is a restaurant in our area you can bring a bottle of champagne and they'll put it on ice for you and serve it to you and so on. But that has nothing to do with what you're talking about.

Mr. Byrne: They can do that because they don't have a liquor license. Once they have a liquor license you can't do that. Unless now with this change you will be able to store it. If you want to bring a case of wine in and store it there and they will have to, the licensee will have to get permission from us. We would ask them for a business plan. How are you going to handle that?

So we know who the clients are and who owns the wine that is there. Typically these are one case size lots. It does not affect anyone who does not have a liquor license where you bring the wine in now.

On page 25 line 10, not line 10, I'm sorry, it's line 10 of the old bill. Line 8. The commission may issue a license valid for two or three years under the same terms. Currently all licenses for the liquor commission are annual licenses. What this would allow a licensee to decide whether it's a wholesaler or a retailer decide to have a two or three-year license. Not prorating the fees, but if I'm in business and I'm going to be doing business like D'Aggio Corporation or Gallo, I would buy a three-year license. I have paperwork once every three years. The staff is looking forward to this change. It will cut back on the paperwork and the industry, some in the industry are looking forward to it as well. So we're going to a multiple tiered license.

Those are the major changes in the bill. The rest of the bill if you go through it are really reference changes and terminology.

Senator Russell E. Prescott, D. 23: Very good. Senator Estabrook.

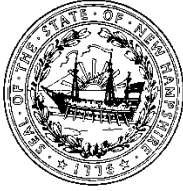
Senator Iris Estabrook, D. 21: I just wondered if you have any comment on the amendment that Representative Francouer mentioned?

Mr. Byrne: Yes thank you. We support the amendment. You will hear from Mr. Sullivan from the Restaurant and Lodging Association who is bringing forth this amendment. What this amendment for a caterer who is off site will do, under current definition of a caterer for off site, they can only serve alcohol with a full course meal. Given today's society some of the appetizers are as big as a full course meal. This will allow them to serve alcohol provided they meet the food requirement which we have for all of our restaurant licensees which is \$75,000 a year in food or if their business is 50% food and 50% alcohol. With that change and the commitment we would support the amendment.

Senator Russell E. Prescott, D. 23: Do you know of any other amendments coming to this bill?

Mr. Byrne: No I don't. It doesn't mean I won't be surprised but I don't.

Senator Russell E. Prescott, D. 23: I do have a clarification. Concerning franchises, company franchises and good will there was legislation done, are you familiar with that, the company or the franchise when sold had some type of basis that went with worth based on taxes they paid and then the tax



**HOUSE COMMITTEE RESEARCH OFFICE**  
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(603) 271-3856; [Kristin.Grant@leg.state.nh.us](mailto:Kristin.Grant@leg.state.nh.us)

**TO: Rep. John Hunt, Chairman, House Commerce and Consumer Affairs Committee**

**FROM: Kristin Grant, Committee Researcher**

**DATE: January 18, 2022**

**SUBJ: Amendment to HB 1039 Requested by the NH Liquor Commission – History of RSA 178:23, IV and V**

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You asked for a history of the multi-year license provisions in RSA 178:23, IV and V, specifically, the reason for the addition of two- and three-year licenses in 2003 (231:13, 2003).

**RSA 178:23 Seasonal and Multiple Year License – Current Law**

Currently, the law allows the Liquor Commission to issue 2- and 3-year licenses in exchange for fees equal to 2 or 3 times the annual license fee.<sup>1</sup> The Liquor Commission has requested an amendment to HB 1039 that would include, among other items, a repeal of subsections IV and V. In the written proposal submitted to the Committee on January 12, 2022, it is noted that “[s]ince the law was passed creating a multiyear license[,] no multiyear license has been issued.”

**2003 – HB 646-FN Relative to liquor licenses and fees<sup>2</sup>**

**House Activity**

HB 646-FN proposed “a variety of changes to the laws relative to liquor licenses and fees” at the request of the liquor commission.<sup>3</sup> John Byrne, Commissioner of the NH Liquor Commission,

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<sup>1</sup> [RSA 178:23, IV and V.](#)

<sup>2</sup> See History of HB 646-FN (231:13, 2003) available at: [http://gencourt.state.nh.us/BillHistory/SofS\\_Archives/2003/house/HB646H.pdf](http://gencourt.state.nh.us/BillHistory/SofS_Archives/2003/house/HB646H.pdf)

<sup>3</sup> HB 646 as introduced.

testified before the House Committee on Commerce that the bill was a recodification and update of Title XIII.<sup>4</sup>

House Committee on Commerce report: **15-0 Ought to Pass with Amendment** (the Amendment did not affect the section we are reviewing).<sup>5</sup>

### **Senate Activity**

In his testimony before the Senate Committee on Executive Departments and Administration, John Byrne spoke in detail about the changes in the bill that would update and streamline the licensing process.<sup>6</sup> Specifically as to the two- and three-year licenses:

“[I]f I’m in business and I’m going to be doing business like D’Aggio Corporation or Gallo, I would buy a three-year license. I have paperwork once every three years. The staff is looking forward to this change. It will cut back on the paperwork and the industry, some in the industry are looking forward to it as well. So we’re going to a multiple tiered license.”<sup>7</sup>

In his written remarks, Commissioner Byrne stated that the multi-year option would “reduce annual paperwork for many licensees.”<sup>8</sup>

Senate Committee on Executive Departments and Administration report: **4-0 Ought to Pass.**

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<sup>4</sup> Hearing Minutes – House Committee on Commerce (Public Hearing on HB 646-FN, February 19, 2003) available at [http://gencourt.state.nh.us/BillHistory/SofS\\_Archives/2003/house/HB646H.pdf](http://gencourt.state.nh.us/BillHistory/SofS_Archives/2003/house/HB646H.pdf).

<sup>5</sup> See History of HB 646-FN House Activity (Committee Report) available at: [https://www.gencourt.state.nh.us/senate/calendars\\_journals/viewer.aspx?fileName=Calendars\2003\SC%2019.PDF](https://www.gencourt.state.nh.us/senate/calendars_journals/viewer.aspx?fileName=Calendars\2003\SC%2019.PDF).

<sup>6</sup> See History of HB 646-FN Senate Activity Committee Report (Committee Minutes) available at [http://gencourt.state.nh.us/BillHistory/SofS\\_Archives/2003/senate/HB646S.pdf](http://gencourt.state.nh.us/BillHistory/SofS_Archives/2003/senate/HB646S.pdf).

<sup>7</sup> Id.

<sup>8</sup> Id.



## **Support of HB 1039**

January 12, 2022

Members of the House Commerce and Consumer Affairs Committee:

My name is CJ Haines and I'm the Executive Director of the New Hampshire Brewers Association (NHBA). The NHBA represents 86 independent craft breweries in New Hampshire, many of which are small and family-owned business.

We are writing today in **support of HB 1039**.

Last year, the successful passage of Senate Bill 125 served as a crucial first step towards helping NH breweries move towards greater parity with our neighbors while also enhancing our vital economic sector which has an over a \$500 million dollar impact to our state.

One important piece of Senate Bill 125 allowed for Beverage Manufactures to pay a fee to maintain one, secondary, non-production retail storefront per license. This was a right already offered to NH wineries and brewers in neighboring states.

For example, this "retail outlet" / satellite location allows for a North Country brewer to open one retail storefront in a more densely populated area of the state, less effected by seasonal fluctuations, and sell their products and offer tastings.

It is also allows for smaller brewers, who may not have enough space in their production facility to have a tasting room, to choose to have a small storefront location where customers can purchase or sample their products.

HB 1039 helps to clarify that there is in fact no production component needed at these beverage manufacturer retail outlets, ensuring parity between NH breweries, NH wineries and brewers in neighboring states. Eliminating this ambiguity also allows for greater clarity for NH brewers who are in the planning stages of a retail outlet.

Thank you for the opportunity to submit this testimony and our membership is more than happy to answer any questions that you might have.

Thank you,

CJ Haines  
Executive Director  
New Hampshire Brewers Association

PO Box 2216  
Concord, NH 03302

[334-603-BEER \(2337\)](tel:334-603-BEER) • [info@nhbrewers.org](mailto:info@nhbrewers.org)

**Archived:** Thursday, May 19, 2022 12:44:33 PM  
**From:** Moore, Aidan  
**Sent:** Tuesday, January 11, 2022 1:43:10 PM  
**To:** ~House Commerce Committee  
**Cc:** Mollica, Joseph; Armaganian, Mark; Culver, Matthew  
**Subject:** Position on HB 1039 and HB 1591  
**Importance:** Normal

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Good Day Chairman Hunt and members of the House Committee on Commerce and Consumer Affairs,

My apology for not being with you in person today. I am not feeling well and prefer not to expose you to whatever symptoms I have.

I have registered my positions on HB 1039 and 1591 through the legislative website and I am watching the hearing remotely.

Chief Mark Armaganian, Lt. Matt Culver and Lt. Danielle Ellston will be providing you with information on these two bills and answering any questions you might have.

HB 1039 – We would like support this bill and the amendment that has been provided to you by Lt. Culver. Lt. Culver will provide you with information on the bill and the rationale for the amendment.

HB 1595 – We oppose this bill as drafted and as amended. I have attached bullet points that I believe to be important in your consideration of the bill. Chief Armaganian and his staff have a comprehensive document for your consideration in addition to their in person testimony.

Thank you for your time and I wish you a healthy 2022.

Sincerely,

Aidan



**Aidan J. Moore, Esq.**  
**Legal Coordinator | NH Liquor Commission**  
50 Storrs St. | Concord, NH 03301  
(603) 931-0222 | [www.liquorandwineoutlets.com](http://www.liquorandwineoutlets.com)  
*Please drink responsibly.*

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**REMARKS OF NH LIQUOR COMMISSIONER  
JOHN W. BYRNE**

**HOUSE BILL 646**

Mr. Chairman and members of the House Commerce Committee, thank you for the opportunity to testify today on HB646. This legislation re-codifies the licensing process governing alcoholic beverage licenses in Title XIII of the Laws of the State of New Hampshire.

The Liquor Commission began reviewing its licensing process over four years ago. Two years ago we began working with the House Commerce Committee, industry associations and interested parties with a goal of simplifying the licensing process while maintaining governmental control over the consumption and distribution of alcoholic beverages.

A result of these efforts was the recommendation of HB710 by the Commerce Committee to the House in the previous legislative session. That bill was sent to the House Ways & Means Committee and subsequently referred for interim study.

The major difference in HB646 from last session's HB710 is in that this legislation there is no change to the on-premise and off-premise licensure requirements and fees for retail on-premise and off-premise licenses. This was the recommendation of the Ways & Means study committee. (page10)

Much of the changes to Title XIII in HB646 are editorial in nature, such as the change in terminology from on-sale to on-premise and off-sale to off-premise and reference changes and deletions throughout the bill.

Major changes in law in the bill that were also in last year's legislation are:

- Establish a Rectifier license. This would allow for the blending and bottling of liquor in the state. The lack of distillation by the licensee distinguishes this license from a liquor manufacturer's license. We have had inquiries for such a license. (page 7)
- Repeal Broker and Wholesale Distributor salesperson license. Currently we require each salesperson for liquor and wine brokers and wholesale distributors to be licensed separately from their employer. The bill would eliminate this requirement. Each salesperson would be required to carry a copy of their broker's and distributors' license and a letter of authorization from the company. (page 8)



- Repeal Carrier vehicle license. The commission currently licenses each vehicle a common carrier may use to transport alcoholic beverages. This change would require that each vehicle have a copy of the carrier's license available. (page 9)
- Allows for multiple year licenses. This would allow any licensee to apply for a license for 1, 2 or 3 years. This would reduce annual paperwork for many licensees. (page19)

New changes in this legislation is the following:

- Liquor & Wine vendor license fees. This bill would make the fees for these vendors the same. (page24)
- Beverage Distributor's Goodwill definition. The wholesale distributors provided this language. (page 31&33)
- Establish a definition for a "Private Club". Current law allows for social, fraternal and veterans clubs. This definition would allow private clubs to be licensed similar to other clubs. (page 2&15)
- On-Premise Corkage fee. The bill would allow Full Service Restaurants to charge a corkage fee for consumption of privately owned table wine stored on the premises that is consumed with a meal. (page12)

Finally, there is some editing that needs to be done in the Bill.

- RSA 178:29 Fees (page 21) needs to be better organized
- References to restricted and unrestricted licenses on pages 8, 29 & 31 need editing

**Check current law on Section 29 (page 29)**

**Archived:** Thursday, May 19, 2022 12:44:49 PM  
**From:** [Andrew P. Provencher](#)  
**Sent:** Tuesday, January 11, 2022 2:17:02 PM  
**To:** [John Hunt](#); [~House Commerce Committee](#)  
**Cc:** [CJ White](#)  
**Subject:** Testimony In Support of HB 1039 and Opposition to HB 1591  
**Importance:** Normal

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Chairman Hunt and Honorable Members of House Commerce and Consumer Affairs,

Please accept the following written testimony on behalf of the [New Hampshire Brewers Association](#) in support of HB 1039 and in opposition to HB 1591.

Thank you,

Andrew P. Provencher

**Principal**  
**[b-fresh Consulting LLC](#)**

Cell: 603-377-6994

Email: [andrew@bfreshconsulting.com](mailto:andrew@bfreshconsulting.com)

**HB 1039 - AS INTRODUCED**

2022 SESSION

22-2276

08/04

HOUSE BILL            **1039**

AN ACT                relative to the definition of "beverage manufacturer retail outlet."

SPONSORS:            Rep. Hunt, Ches. 11

COMMITTEE:          Commerce and Consumer Affairs

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ANALYSIS

This bill removes the production and manufacturing requirements from the definition of "beverage manufacturer retail outlet."

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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.

STATE OF NEW HAMPSHIRE

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

AN ACT                   relative to the definition of "beverage manufacturer retail outlet."

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

- 1           1 Beverage Manufacturer Retail Outlet; Definition. Amend RSA 175:1, IX-a to read as follows:
- 2           IX-a. "Beverage manufacturer retail outlet" means an outlet for the sale, sampling,
- 3 ~~[production or manufacturing]~~ and promotion of beverages and other products manufactured by a
- 4 beverage manufacturer licensee.
- 5           2 Effective Date. This act shall take effect 60 days after its passage.