

Bed and Breakfasts - Do's and Don'ts for Licensees

A Bed and Breakfast (B&B's) is one of the business types eligible to hold a license to sell beverage alcohol from the NH State Liquor Commission. Before licensing, licensing agents of the Commission look at statutory definitions to determine the eligibility of a business to hold a license.ⁱ

Once a business is determined eligible, the business may apply for a license to sell alcohol. The applicable statutory provision for a B&B is found in RSA 178:19.ⁱⁱ The statute describes, in part, the conditions and limitations on a B&B licensee.

The most significant limitations are that the licensee is limited to selling alcohol only to guests and only when it is with a meal in the dining room or in the room of the guests. This limitation prohibits "walk in" customers from coming to a B&B just for a drink. The legislature has determined the service of alcohol in a B&B is a complement to the B&B experience rather than the focus of the B&B operation.

Secondly, the licensee may sell liquor and beverage by the bottle which shall be delivered to the room of registered guests at a price which is not below the licensee's cost. It is clear in the law that the B&B does not have the same service opportunities as does a restaurant that caters to the general public.

The Commission has adopted administrative rule which further expand upon the limits of the B&B licensee.ⁱⁱⁱ The food serving area must be able to accommodate all of the registered guests. Additionally the licensed area must be in the primary residence of the licensees and does not extend to other out buildings on the B&B property.

RSA 179:42^{iv} permits a B&B to bundle the cost of lodging and alcohol or food and alcohol to their guests. The packaging of alcohol and lodging could mean for example the price of the room would include the room and a bottle of Merlot. Of course the B&B would need to ensure the guests were over the age of 21 to receive the Merlot.

ⁱ N.H. Rev. Stat. Sec. 175:1, Definitions.

VI. "Bed and breakfast" means a building or buildings regularly used and kept open as such in a bona fide manner for the feeding and lodging of transient guests. A bed and breakfast shall have at least 4 rentable rooms and an area of dining capable of accommodating the number of registered guests and be housed in the primary residence of the owners or operators and whose posted room rates shall include breakfast.

ⁱⁱ N.H. Rev. Stat. Sec. 178:19, On-Sale Beverage and Liquor Licenses.

(c) Bed and Breakfasts. The commission may issue a license to any bed and breakfast which has 4 rentable rooms and full service dining area capable of seating the total number of registered guests and shall entitle the licensee to:

- (1) Sell liquor and beverages to guests with meals in the dining room or in the rooms of guests.
- (2) Sell liquor and beverages by the bottle which shall be delivered to the rooms of registered guests, provided that the charge for such liquor and beverages is not below cost.

ⁱⁱⁱ Liq 706.19 Bed & Breakfast License.

In addition to the requirements of Liq 706.01, each applicant for a bed and breakfast license shall provide the following information on form LE-1 to the commission:

- (a) For an on sale license issued pursuant to RSA 178:18, I and RSA 178:19, II(c):
- (1) Whether the establishment provides food and lodging for guests;
 - (2) Whether the posted room rates include breakfast;
 - (3) Whether the establishment has at least 4 rentable rooms;
 - (4) The number of rentable rooms;
 - (5) Whether the applicant has a dining area and suitable cooking facilities connected therewith capable of accommodating the maximum number of registered guests;
 - (6) Whether the establishment is the primary residence of the applicant, owner or operator; and
 - (7) Whether public toilet facilities are available for the use of the patrons which meet the provisions of RSA 143-A.
- (b) For an on sale license issued pursuant to RSA 178:19, II(c):
- (1) Acknowledgment by the applicant that he shall only sell liquor to guests with meals in the dining room or in the rooms of guests; and
 - (2) Acknowledgment by the applicant that he may sell liquor and beverage by the bottle which shall be delivered to the room of registered guests at a price which is not below the licensee's cost.
- [Source](#).
(See Revision Note at part Heading for Liq 706) #5289, eff 1-1-92; ss by #6391, eff 11-28-96

^{iv} N.H. Rev. Stat. Sec. 179:42, Package Deals.

Licenses may promote the sale of so-called package deals in which a single price is charged for lodging and beverages and liquor, food and beverages and liquor, or any combination thereof. A package deal shall state the amount of beverages and liquor included. It shall be incumbent upon the licensee to insure that patrons contracting for such package deals meet all requirements of law for the purchase of beverages and liquor.