CHAPTER Liq 500 RULES RELATING TO PARTICULAR LICENSEES

Statutory Authority: RSA 176:14, RSA 177:10, RSA 178:22, V (e), RSA 178:27-a

Readopt with amendments Liq 501.01-506.14, effective 10-23-2013 (Document #10443), to read as follows:

PART Liq 501 CLUBS

Liq 501.01 <u>Definitions</u>. As used in this part, unless a different meaning is clearly intended from the context:

- (a) "Auxiliary(<u>ies</u>)-member" means an individual recognized and defined in the by-laws of a private club <u>in possession of a current membership card</u> who has canteen and other club privileges, but who is not a full voting member of the club.
 - (b) "Club licensee" means the holder of an on-premises license issued under RSA 178:22 V, (h)
- (\underline{bc}) "ClubMember" means any person in possession of a current membership card who has full privileges in the club, a vote in its affairs and the right to run for office.
- (1) Member includes affiliated Sons of the American Legion.
- (ed) "Guest" means an adult person who is accompanied by a <u>club member member</u> or auxiliary <u>member</u> and who is registered in the club guest book.
- Liq 501.02 <u>Roster of Members</u>. Club licensees shall have a roster of their members and auxiliaries with their addresses-<u>kept on the licensed premises</u> for inspection by the commission or its investigators at <u>allany</u> times that the club is open.

The roster shall be kept on the licensed premises.

- ——Liq 501.03 <u>Sons of the American Legion, Veterans and Social Club Auxiliary</u>—Cocktail Lounge <u>Privileges</u>.
- (a) Clubs_-with having auxiliaries associated with-may extend cocktail lounge privileges to the \underline{m} membership thereof.
- (b) American Legion clubs <u>having</u>—<u>with</u> Sons of the American Legion affiliates may—<u>also</u> extend membership privileges to <u>members thereofthem</u>.
- (c) In no case shall any non-member have cocktail lounge privileges, except that members, a member of the Sons of the American Legion, and auxiliaryies members of a club licensed under RSA 178:22, V, (h) shall be entitled to cocktail lounge privileges at any other like national fraternal club in this state provided, the member member of the Sons of the American Legion, or auxiliary member has on his or her person and displays on request a current membership card of that same national fraternal organization.
- (d) The by-laws of the private club which grant auxiliary membership status to a group of individuals shall be filed with the commission offices to provide for formal recognition of the club's auxiliar <u>yies</u> members by the commission.
- Liq 501.04 <u>People to Whom Liquor May be Served In Veterans' and Social Clubs</u>. No beverages or liquor shall be sold to the general public or to any other persons except members, guests, members of the Sons

of the American Legion, or <u>a</u>auxiliar<u>yies</u> members of a club in this state affiliated with the same national fraternal organization and licensed under 178 RSA:22 V, (h) provided the member, member of the Sons of the American Legion, or <u>auxiliary member that such member or auxiliary has</u> on his or her person, and displays on request, a current membership card of that same national fraternal organization.

Liq 501.05 Guests and the Guest Book Requirements-For Veterans and Social Clubs.

- (a) The guest book shall contain the name and address of the guest together with the name of the accompanying member, member of the Sons of the American Legion, or auxiliary, member and the date of attendance.
 - (1) For the purposes of this rule, "address" means the city or town and state.
- (b) Each member, member of the Sons of the American Legion, or auxiliary member may be accompanied by up to 4 guests at any one time.
- (c) Such guests may remain on the club premises in the company of such member, member of the Sons of the American Legion, or auxiliary, member but only so long as such member, member of the Sons of the American Legion, or auxiliary member remains in the club.
 - (d) The guest book shall be open for inspection by commission investigators at all times.
 - (e) Guest books shall be written legibly and maintained on the premises for at least one year.
- Liq 501.06 <u>Access Restricted</u>. The entrance to a private club shall be restricted by a bell or buzzer system in order to gain entrance to the club.
- Liq 501.07 <u>Records Available for Inspection</u>. Club licensees shall have all their records available for inspection including financial records, and such records shall be kept in the English language.
 - Liq 501.08 Date for Submission of Report; Forms.
- (a) All club licensees shall make a sworn return to the commission once each month on or before the 15th of the following month, showing the income from liquor sold and expenses chargeable to that part of the license as reported required on Fform 233 "Financial Statement for Club Operations" (Revised 1/22).
 - (b) All such reports shall be forwarded to the commission prior to the 15th day of the following month.

 (c) Each club licensee filing pursuant to paragraphs (a) and (b) shall supply on form 233 the following:

 (1) Name, address, number of members, license number and the month and year of the reporting period;
 - (2) A statement of profit and loss for the reporting period, including:
 - a. Income from sale of liquor and beverage;
 - b. Dues, miscellaneous income which includes all income from amusement machines, lottery sales, hall rental, and bingo games, and total income; and
 - c. A computation of the cost of goods sold including:

1. Beginning monthly inventory of liquor, beverage, bar supplies, miscellaneous artheir total;			
2. Monthly purchases of liquor, beverage, bar supplies, miscellaneous and their total;			
3. Total monthly merchandise available; and			
4. Total cost of ending monthly inventory of liquor, beverage, bar supplies, ar miscellaneous;			
(3) Operating expenses for the reporting period including:			
a. Rent, salaries, heat, lights, water and telephone;			
b. Insurance and interest, repairs and alterations;			
c. Janitorial services and supplies;			
d. Taxes, charitable donations, licenses, transportation, club socials and member benefits entertainment, loss and waste; and			
e. Total expenses;			
(4) Computation of profit and loss for the month including:			
a. Gross profit or loss; and			
b. Net profit or loss;			
(5) Balance sheet for the reporting period including first of the month and last of the month figures for:			
a. Assets, including:			
1. Checking accounts;			
2. Savings account;			
3. Cash on hand;			
4. Petty eash or change fund;			
5. Merchandise inventory;			
6. Bonds;			
7. Real estate; and			
8. Furniture and equipment;			

b. Total of the above assets;

- c. Liabilities, including:
 - 1. Accounts payable;
 - 2. Notes payable;
 - 3. Mortgage payable;
 - 4. Taxes payable; and
 - 5. Surplus; and
- d. Total liabilities and surplus; and
- (6) The date, reporting officer's signature, title, and expiration date of office term.(b) All such reports shall be forwarded to the commission prior to the 15th day of the following month.

Liq 501.09 Beano Games.

- (a) Club licensees shall forward written notification to the commission at least 5 <u>business</u> days prior to holding beano games as defined by RSA 287-E.
- (b) No liquor or beverage shall be sold by any club licensee during and for 15 minutes following the close of beano games on each approved date when such affairs are open to the public.
- (c) Beano games conducted in approved rental halls may be conducted concurrently with the operation of the club canteen and shall be treated as rentals under the provisions of Liq 501.13.
- Liq 501.10 <u>Minutes of Meetings; Financial Statement Retained</u>. Minutes of all club meetings and monthly financial statements of club operations covering a period of 3 years prior to the current date shall be retained on the club premises and made available to the commission, its examiners, or investigators at all any times.
 - (a) Club-veterans as defined in RSA 175:1, XXII are exempt from keeping minutes.
- Liq 501.11 <u>Application for Membership</u>. Application for club membership shall be made in writing and such application shall include name, address, date of application and signature of applicant.
- <u>(a)</u> Application cards shall be retained on the club premises and made available to the commission or its investigators at <u>all any</u>times.

Liq 501.12 Beverages and Liquor Served.

All beverages and liquor consumed on the club premises shall be those which are sold or in the case of tastings under RSA 179:44 served by the club except private groups may bring in and serve, or, if a one_day license holder, sell their own liquor and beverage in approved rental halls or rooms.

Liq 501.13 Rental of Club Rooms.

- (a) _Club licensees having halls or rooms on the premises available for rentals shall have such halls or rooms licensed by the commission, pursuant to RSA 178:22,-V(h)(3), prior to any rental or any supplemental license being issued.
 - (b) _These rooms or halls shall have separate:
 - (1) Toilet facilities; and
 - (2) Entrances and exits from the club proper.
 - (c) Club and rental areas shall be completely separated during the period of rental.
- (d) _Club licensees shall notify the commission in writing at least 5 <u>business</u> days before the date of any rental.
 - (e) _This notification shall include:
 - (1) _The name of the individual or organization desiring to rent the hall, and
 - (2) _The date and time of the rental.
- (f) _Club licensees shall be responsible for the maintenance of order and compliance with state laws and town ordinances governing these assemblies.

Liq 501.14 Advertisements.

- (a) _Club licensee advertisements for club affairs to be held on their licensed premises shall contain the statement "FOR MEMBERS AND THEIR GUESTS ONLY"-with-Tthe lettering of such statement shall be at least as large as any other lettering in the advertisement.
 - (b) Attendance at such affairs shall be limited to members and their guests only; and
 - (c) No advertising shall invite the general public and non-members to attend.

Liq 501.15 Transfers of Location.

- (a) _All petitions pursuant to RSA 178:25 for transfer of a club license to a location owned or controlled by the licensee received in the commission's offices at least 5 business days prior to the event which meet the requirements of RSA_178:25 and any other statutory requirements which that may apply shall be granted.
- (b) _Transfers shall not exceed 3 consecutive days and 6 total days for any organization during their license year.

PART Liq 502 HOTELS- ON-PREMISES LICENSEES

Liq 502.01 <u>Service Bars</u>. Hotel licensees may have auxiliary service bars in any hotel areas licensed for service and sale of alcoholic beverages.

Liq 502.02 Exception to Minimum Opening Requirement For Hotels.

- (a) <u>When open for business the holder of a A</u> hotel <u>full service restaurant liquor</u> license<u>e</u> shall be open for business at least 5 days per week for evening meals pursuant to RSA 178:21, II, (b)(2).
- (b) Waivers Exemptions to this rule shall be granted for limited periods of time on specific written requests to the commission unless it conflicts with any other statute or rule.
 - (c) Written requests for an waiver to Liq 502.02(a) exemption to RSA 178:21, II, (b)(2) shall include:
 - (1) The name and address and license number of the business;
 - (2) The proposed opening schedule; and
 - (3) The signature of the owner or manager.
- (d) Approval shall be granted specific periods of time requested by the licensee, provided the requested hours do not conflict with any other statute or rule.

Liq 502.03 <u>Service and Preparation of Food</u>. <u>The holder of a A</u> hotel full service restaurant license<u>e</u> or his or her employees shall prepare, cook and serve the food for the restaurant. <u>Lin</u> no case shall the food concession be leased or rented out to any other person.

PART Liq 503 ON-PREMISES RESTAURANTS LICENSEES

Liq 503.01 Account of Business.

- (a) <u>The holder of a A</u> restaurant <u>liquor</u> licensee shall <u>file and preserve his or her individual sales slips</u> and maintain <u>for 7 years</u> a complete and accurate account of business, <u>including but not limited to sales slips</u>, <u>register tapes</u>, <u>purchase orders</u>, <u>invoices</u>, <u>and inventory slips</u>, separated in such manner that the commission upon audit can determine the total amount of sales of food as compared to the sales of beverage, liquor and incidentals.
 - (b) Such license holder shall maintain purchase orders, sales slips and register tapes.
- (eb) All sales shall be recorded on a cash register that which separates sales of liquor and beverage from sales of food.

Liq 503.02 Food Certification. Form.

- (a) A certification of food, beverage and liquor sales made by the licensee during the previous license year shall be filed with the commission by each licensee licensed pursuant to RSA 178:21, II(a)(1) and RSA 178:22, V(q) with the commission as part of their license renewal.
 - (1) All restaurant sales shall be noted on-<u>said license renewal F</u>form <u>Liq LE-1 "License Renewal"</u> (Revised 1/22) which will be furnished-provided by the commission.
- (b) The licensee shall supply the required information on Formthe Liq LE-1 "License *Renewal aApplication form." the following:
- (1) Dates of the business period covered;
- (2) Restaurant and, if applicable, cocktail lounge sales of food, which shall not include sales of alcoholic beverages;

- (3) Total sales of beverage and liquor in the restaurant and, if applicable, cocktail lounge; and
- (4) Signature of the individual, all partners, members or designated manager of a limited liability company, or president or other designated officer of a corporation, as applicable.
- Liq 503.03 <u>MinimumExemption to Opening Requirement For Full Service Restaurants Licensed for</u> Full Liquor Sales.
- (a) The holder of a A full service restaurant liquor-licensee shall be open for business at least 5 days per week for evening meals pursuant to -RSA 178:21, II, (a)(2).
- (b) Waivers Exemptions Licensees may request an exemption to RSA 178:21, II, (a)(2) (a) above shall be granted for limited periods of time may be requested by filing on a specific written request to the commission.
 - (c) Written requests for waivers to Liq 503.03(a) exemptions shall include:
 - (1) _The name, address and license number of the business;
 - (2) _The proposed opening-schedule; and
 - (3) The signature of the owner or manager.
- (d) Approval The commission shall be granted a request for an exemption for specific periods of time requested by the licensee provided if the requested hours it does not conflict with any other statute or rule.
 - Liq 503.04 Service and Preparation of Food.
- (a) <u>The holder of a A</u> restaurant license<u>e</u> or his or her employees shall prepare, cook and serve the food for the restaurant.
- (b) Preparation and cooking food shall consist of at least 3 of the following:
- (1) Assembling raw or cooked food items to make a dish, such as a sandwich or salad;
- (2) Cooking raw fresh or frozen ingredients to make a dish, such as grilling a steak;
- (3) Heating prepared foods for service; and
- (4) Arranging a selection of foods on a plate or dinnerware for service, so as to constitute a full meal.
 - (eb) In no case shall the food concession be leased or rented out to any other person.
 - (dc) Service of food in a full service restaurant licensed for <u>full_liquor</u> sales shall consist of : (1) Taking a food order at the table; and s
- (2) Serving the food to the table on plates or appropriate dinnerware, accompanied by appropriate tableware. and condiments.

PART Liq 504 RESERVED

PART Liq 505 ONE DAY LICENSES ISSUED PURSUANT TO RSA 178:22, V(1).

Liq 505.01 <u>Definitions</u>. As used in this part, unless a different meaning is clearly intended from the text; (a) -"One day license<u>e</u> holder" means a holder of a one day license for voluntary non-profit organizations in order to sell beverages, specialty beverages, and liquor on premises approved by the commission.

Liq 505.02 <u>Conflict of Rules</u>. One day license<u>es</u> holders shall comply with the provisions of a one day license rule when it conflicts with another rule.

Liq 505.03 <u>Hours of Service</u>. Hours of service shall be noted on the license and no beverage or liquor shall be sold or consumed except during those hours.

Liq 505.04 Records to be Maintained.

- (a) One day license<u>es</u> holders shall maintain records for 1 year showing the amount of money derived from the sale of beverage or liquor or both, the expense incurred in making such sales and the distribution of profits realized from said sales.
- (b) Said records shall be made available for audit on request by the commission, its examiners or investigators at anyall times subsequent to the issuance of a license.

Liq 505.05 Surrender of License.

- (a) If the commission's a liquor investigator suspends the one day license for sales contrary to public safety, the one day licensee holders shall:
 - (1) Surrender their its license on demand to any investigator of the commission; and
 - (2) Shall immediately cease all sales of beverage and liquor.
- (b) Sales contrary to public safety shall include multiple violations of RSA 179:5 and violations of RSA 179:50 or 179:51.

PART Liq 506 WHOLESALE DISTRIBUTORS, BEVERAGE MANUFACTURERS, BEVERAGE VENDORS, BREW PUBS AND OTHER LICENSEESNANO BREWERIES.

Liq 506.01 Rebates and Discounts.

- (a) No holder of a wholesale distributor's licensee shall give or grant any rebate or discount except such as are given or granted by them to all retail licensees for similar purchases, as reflected in prices and discount schedules posted with the commission.
 - (b) All rebates or discounts shall be shown on invoices, sales slips, delivery slips and office records.
- (c) Discounts not posted with the commission and false credits for defective beverage shall be considered violations of this section.

Liq 506.02 <u>Sale or Delivery in Less than Case Lots Prohibited</u>. <u>Holders of wW</u>holesale distributor's licensees shall sell or deliver beverage in original or equivalent containers or cases as prepared for the market

by the manufacturer. Any returned product from the market shall be in original or equivalent containers or cases.

- (a) The wholesale distributor licensee shall only accept returned product from the market that was damaged by the wholesale distributor's employees.
- (b) The wholesale distributor licensee shall not accept any damaged product that was damaged by the retailer's employees or customers.
- (c) The wholesale distributor licensee shall not pay the retailer for any product damaged by the retailer's employees or customers.

Liq 506.03 Equipment, Furniture, Fixtures and Property.

- (a) Holders of a bB everage vendor's license, beverage manufacturer's brew pub or and wholesale distributor's license may:
 - (1) Lend, install or service or cause to be installed or serviced, equipment commonly known as taps, rods, and hose connections from the barrel to the back_tin, where the faucets and taps are mounted, or permanent dispensing system; and
 - (2) Lend or give such washers, clamps, bungs, or special equipment that are necessary to cause such tapping equipment to function properly and also furnish knobs designating brands of beer dispensed in outlets.
- (b) In no case shall installations be made or services given to any other non-proprietary part of the dispensing system such as coils, faucets, compressors, gas, air gauges, cooling equipment or other parts of such equipment necessary for proper function of the complete dispensing system.
- (c) <u>Holders of oOff-sale licensees</u> may loan pumps and tapping equipment for use at picnics and outings for non-licensees or one day license holders.
- (d) No holder of an on-sale or off-sale licensee shall knowingly hire or employ as a contractor, any person who holds a license issued under RSA Title XIII, except as allowed by RSA 179:11, III.
- (e) Nothing in this rule shall prohibit a holder of a beverage vendor, beverage manufacturer or wholesale distributor's licensee from instructing a licensee in the proper method of using or cleaning of equipment.
 - (f) This section does not apply to nano breweries.

Liq 506.04 <u>Sale on Credit</u>. No wholesale distributor <u>licensee</u> shall sell beverage on credit except to those persons holding NH retail or wholesaler licenses and then in accordance with RSA 179:13.

Liq 506.05 Deposits, Rebates.

- (a) Any deposits on beverage containers, and conditions for redemption, shall be included on wholesale distributor's price postings for said beverages.
 - (b) Rebates for returned containers shall:

- (1) _Be clearly shown on invoices; and
- (2) Not exceed the deposits charged for said containers.

Liq 506.06 Keg Registration.

- (a) Any NH licensee selling draught beer kegs to the public shall affix a <u>numbered sticker from Form L-080NHSLC k"Keg R</u>registration <u>Book" form (revised 1/22)</u> to each keg sold which contains:
 - (1) The trade name and license number of the seller;
 - (2) The name of the clerk making the sale;
 - (3) The name, address, and date of birth of the purchaser;
 - (4) The type of identification card used to verify the data required by (3) above; and
 - (5) The identification number of the documentsticker;
 - (6) A statement of the purchaser's legal responsibilities; and
 - (7) The dated signature of the purchaser.
 - (b) Licensees shall not affix any keg registration formsticker until it has been is completely filled out.
- (c) Licensees shall keep a copy of the keg registration form sticker for at least one year from date of purchase.
- (d) The NHSLC keg registration forms stickers shall be available for inspection by commission investigators or examiners.
- (e) Licensees shall obtain Form L-080 k"Keg FRegistration Book" (Revised 1/22) forms only from the New Hampshire liquor commission.
 - (f) Licensees shall either:
 - (1) Either:
 - a.(1) Deliver the keg to the purchaser at the time the NHSLC keg registration form sticker is signed and affixed to the keg; or
 - b.(2) Deliver the keg only to the person who signed the keg registration formsticker; and
 - (23) Obtain a signed and dated delivery receipt which shall be retained with the licensee copy of the keg registration sticker form.
- (g) A NH licensee accepting any return of a keg from the public which does not have a keg registration formsticker affixed shall:
 - (1) Obtain the name, address, and date of birth of the person returning the keg;
 - (2) Note the type of identification card used to verify the data required by (1) above;

- (3) Note the information on the identification number of the document card; and
- (4) Report this information to the division of liquor enforcement within 5 business days.
- (h) Licensees who violate the provisions of these rules shall be subject to the penalties provided under Liq 603.

Liq 506.07 <u>Wholesale Distributor Transfer and Receipt From Other Than Beverage Vendor or Beverage Vendor Importer.</u>

- (a) _Wholesale distributor_<u>licensees</u> shall not accept alcoholic beverage from an <u>wholesaler licensed</u> out of state <u>entity</u> other than a beverage vendor <u>licensee</u> without an accompanying invoice from the <u>concerned beverage</u> vendor detailing all particulars of the transaction, including the date of transfer, the shipping party, the quantity shipped, and the sender's invoice number and its date.
- (b) _Wholesale distributor <u>licensees</u> shall not transfer alcoholic beverages to an <u>wholesaler licensed</u> out of state <u>other than a beverage vendor entity</u> without an accompanying invoice from the <u>eoneerned beverage</u> vendor detailing all particulars of the transaction, including the date of transfer, the quantity transferred, the party transferred to and the wholesale distributor's invoice number of the transfer.

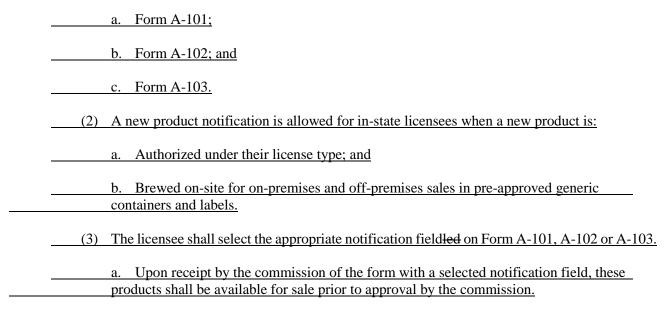
Liq 506.08 <u>Licensing</u>. Each beverage vendor to be licensed in the State of New Hampshire shall be the manufacturer of the beverage to be sold within the state, except when a manufacturer designates another person to be exclusively licensed to vend their beverages within the state of New Hampshire.

Liq 506.09 <u>Registration; Territories Product Approvals for all Licensees and Notifications for Ceertain Iin-s-state Licenses.</u> Beverage vendors, brew pubs, <u>nano brewer</u> and beverage manufacturers <u>licensees</u> shall provide the commission with the <u>following required</u> information <u>on the following forms</u> to receive approval for the brand of beverage and package size prior to shipping into or selling any beverage within the state:

	(a) A copy of the label;
	(b) A copy of the federal label approval, if required, to produce such label;
	(c) A certified alcoholic content analysis performed at 60 degrees Fahrenheit by volume;
	(d) Package size approval requests;
the to	(e) A copy of all territorial agreements between the vendor and the wholesale distributors, or a list of owns in which the brew pub or beverage manufacturer will sell its own brands; and
	(f) Any other information which might be required by federal law, rule, or state statute. (a) Approvals.

(1) Beverage vendor, brew pub, nano brewer and beverage manufacturer licensees shall provide the commission with the required information on the following forms to receive approval for the brand of beverage, label content, and package size prior to shipping into or selling any beverage within the state:

	a. Form A-100 "Beverage Vendors" (revised 1/22);		
	b. Form A-101 "Beverage Manufacturers" (revised 1/22);		
	c. Form A-102 "Brewpub" (revised 1/22);		
	d. Form A-103 "Nano -Bbreweries" (revised 1/22); and		
	e. Form A-104 "Variety Pack" (revised 1/22).		
	(2) The commission shall approve the label and packaging unless:		
	a. Statements on the label or packaging are false or misleading;		
	b. Any written statements on the label or packaging are illegible;		
	c. The packaging or labeling contains subliminal or similarly deceptive advertising techniques;		
	d. The packaging or labeling features a depiction of athletes that is deceptive and misleading in that it implies that consuming alcohol is conducive to athletic skill or physical prowess, or that consuming alcohol does not hinder the athlete's performance;		
	e. The packaging or labeling features illustrations, subject matter, or other attributes that are consistent with products marketed toward children and youths;		
	f. The packaging or labeling features a depiction of consumption of an alcoholic beverage while seated in, about to enter, operating, or about to operate an automobile or other machinery;		
	g. An aspect of the packaging or labeling normalizes or encourages excessive drinking;		
	h. The packaging or labeling does not indicate in manner that is sufficiently clear that the product contains alcohol; or		
	i. The packaging or labeling used could result in confusion regarding whether the product is an alcoholic beverage.		
	(3) The commission is not responsible for copyright or trademark infringement.		
	(4) The commission shall make a decision within 60 days of receipt of a complete application and provide the decision to the licensee within a reasonable time.		
	a. In the event of a denial, the licensee may file a petition with the commission pursuant to		
	<u>Liq 208.</u>		
b)	Notifications for in-state licensees.		
	(1) Beverage manufacturers, brewpubs, and nano-breweries shall provide the information required by the following forms to the commission prior to selling any beer, beverage, specialty		
	beverage or specialty beer at their premises:		



- 1. The notification field shall not be selected by beverage manufacturers for cider, mead or fermented beverages or similar fermented products over 6%, specialty beers over 12% or specialty beverages over 6%.
- 2. The notification field shall not be selected by bBrewpubs for any cider over 6% or a specialty beer over 12%.
- 3. The notification field shall not be selected by nano breweries for any specialty beer over 12%.
- 4. Prior to self-distributing or selling to a wholesale distributor a new beer, beverage, specialty beverage, or specialty beer, beverage manufacturers, brewpubs, and nanobreweries shall comply with Liq 506.09 (a).
- 5. If the beverage manufacturers, brewpubs, and nano-breweries creates a specific label for any particular beer, they shall comply with Liq 506.09 (a).
- (4) Beverage manufacturers, brewpubs, and nano-breweries shall not submit any additional product approval requests for the same product for at least 30-days.
- (5) Should any licensee be found to have violated any section of statute or rule pertaining to product approvals, the licensee shall be required to immediately remove all product from the trade at their expense and be subject to administrative penalties.

Liq 506.10 Forms; Filing Deadlines.

(a) Beverage vendors, brew pubs and other All licensed suppliers of beverage shall report to the commission all shipments of beverage sold to, transferred to, and returned for credit by each wholesale distributor within the state, by the 10th of the month covering sales for the preceding month.

- (b) <u>Each beverage vendor, brew pub or other All licensed suppliers</u> of beverage shall <u>supply provide the information required on Fforms 258 "Returns" (revised 1/22), 259 "Sales" (revised 1/22), 334 "Returns" (revised 1/22), and 3345 "Returns" (revised 1/22).</u>
- supplied by the commission the following:
 - (1) The vendor's name, address, license number and reporting period dates;
 - (2) The names, addresses, and of each wholesale distributor to whom alcoholic beverages were shipped;
 - (3) The number of packages, quantity of each type of package and size of each type of package shipped to or returned for credit by each wholesale distributor licensed in this state; and
 - (4) Signature of the person making and remitting the report.[JS1]
- (c) Wholesale distributor <u>licensees</u> shall report to the commission all shipments of beverage sold or transferred at retail or wholesale or returned to beverage vendors or other suppliers, by the 10th of the month covering sales for the preceding month.
- (d) Each wholesale distributor <u>licensee</u> shall supply <u>in a summary formof the required information</u> on <u>Fform 246 "Main Worksheet" (revised 1/22).and</u> supported with detailed information on <u>fForms 248</u> "<u>S</u>schedule A" (revised 1/22), 249 "<u>S</u>schedule B" (revised 1/22), 250 "<u>S</u>schedule C" (revised 1/22), 251 "<u>S</u>schedule D" (revised 1/22), 252 "<u>S</u>schedule E" (revised 1/22), 253 "<u>S</u>schedule F" (revised 1/22), 254 "<u>S</u>schedule G" (revised 1/22), and 255 "<u>S</u>schedules H", and "I" (revised 1/22). supplied by the commission or equivalent documents the following:
 - (1) Name, address, license number and reporting period of the licensee;
 - (2) The number and sizes of barrels and cases or other packages:
 - a. On hand at the first of the month:
 - b. Purchased or received during the month;
 - c. Returned from the retailer;
 - d. Computed as the total available during the month;
 - e. On hand at the end of the month;
 - f. Computed as the difference between total available and on hand at end of month; and
 - g. Lost and/or wasted;
 - (3) Deductions on which additional fees as provided by RSA 178:26 are exempt, including:
 - a. Returns from the retailer;
 - b. Sales outside N.H.;
 - c. Returns to beverage vendors, manufacturers, brew pubs, or other licensed supplier; and
 - d. Total of deductions on which additional fee pursuant to RSA 178:26 is exempt;

(4) Net quantity on which additional fees pursuant to RSA 178:26, I are to be paid, including		
a. Total gallonage per package type; and		
b. Net gallonage on all package types.		
(5) Total additional fee due;		
(6) Total additional fee due plus adjustment vouchers;		
(7) Balance due; and		
(8) Signature and date.		
(e) Beverage manufacturer <u>licensees</u> within the state shall report to the commission all beverages sold or furnished, by the 10th of the month covering sales or other distribution for the preceding month pursuant to RSA 178:26. (f) Each beverage manufacturer shall supply in a format approved by the commission the following:		
(1) The manufacturer's name, address, license number and reporting period dates;		
(2) The number of packages, quantity of each type of package and size of each type of package shipped to each retailer licensed in this state and sold at retail; and		
(3) Signature of the person making and remitting the report.		
Liq 506.11 Beverage Manufacturers Tax Reporting; Filing Deadlines Reserved.		
(a) Each beverage manufacturer shall report to the commission all quantities of beverage sold directly to the public, consumed in an authorized hospitality room, distributed or sold to employees for their consumption, or transferred to the premise of any restaurant authorized under RSA 178:12, II [JS2]and issued pursuant to RSA 178:20, II, RSA 178:21,II(a)(1), or RSA 178:22, V(q) by the 10th of the month covering sales or transfers for the preceding month.		
(b) This report shall include the following:		
(1) The beverage manufacturer's name, address, and license number;		
(2) The month being reported;		
(3) The dates of each transfer of beverage to the vessel or restaurant premise;		
(4) For each transfer reported:		
a. If transferred directly to the vessel or restaurant serving tanks:		
1. The name of the brand transferred;		
2. The total number of gallons;		
3. The total loss and waste in gallons; and		

- 4. The total number of gallons transferred or sold to the restaurant; and
- b. If transferred in kegs or other approved packages:
- 1. The brands transferred;
- 2. The packages transferred, with quantity of each package; and
- 3. The total gallons transferred;
- (5) The total sales to the public for off premise consumption, including for each brand sold:
- a. The total of each package type sold; and
- b. The total gallons sold;
- (6) The total of sales or distributions to employees for consumption, which shall include for each brand:
- a. The total of each package type; and
- b. The total gallons;
- (7) The total additional fees required by RSA 178:26, I;
- (8) Signature of the owner, a partner, limited liability company member or manager, or a corporate officer; and
- (9) An attached copy of the beverage manufacturer's monthly or quarterly TTB or subsequent federal brewers report of operations covering the period of the report[JS3].

Liq 506.12 Bill and Hold Procedures; Prohibition of Prepaid Orders.

- (a) For the purposes of this rule "bill and hold" means a contractual agreement between any retail licensee and a wholesale distributor <u>licensee</u> for sale of beverage in more than one delivery based upon the current price on file with the commission, pursuant to RSA 179:33, <u>IVIII</u> at the time of initial delivery, and a certain minimum quantity of beverage ordered, paid for and completely delivered within 10 calendar days of the first delivery date.
 - (b) Pursuant to RSA 179:33, HI all original bill and hold invoices shall:
 - (1) Be dated with the date of first delivery of the product to the licensee;
 - (2) Be noted with the phrase "delivery for bill and hold" and the invoice number;
 - (3) State the terms of the bill and hold contract which shall at least include:
 - a. The bill and hold invoice number;b. The last date of delivery allowed for the product to be received for a bill and hold order as defined by Liq 506.12(a);

- e<u>b</u>. The last date that payment shall be received at the wholesale distributor's place of businessfor a bill and hold order as defined by Liq 506.12(a); and
- dc. A statement that if the bill and hold provisions as defined by Liq 506.12(a) are not met exactly, that the bill and hold invoice shall be voided by the wholesale distributor and replaced by separate invoices for each delivery of beverage, priced at the cost for that quantity of beverage, as filed with the commission pursuant to RSA 179:33, IVIII on that delivery date; and
- (4) Be legibly receipted with the amount of payment, the date of the payment and who received payment on behalf of the wholesale distributor.
- (c) All bill and hold contracts shall be between the wholesale distributor <u>licensee</u> and the retail licensee, and <u>Ssettlement of any dispute arising there from</u> shall be the sole responsibility of the contracting parties.
- (d) Any bill and hold merchandise not delivered on the initial delivery shall remain the property of the wholesale distributor <u>licensee</u> and be stored on <u>thehis or her</u> licensed premises-of the wholesale distributor.
 - (e) No pre-paid bill and hold orders for beverage shall be permitted::
 - (1) A retailer may place funds on account with a wholesale distributor <u>licensee</u>, which may be applied to invoices once the beverage is delivered, but shall not be encumbered by undelivered orders.
- (f) If a wholesale distributor <u>licensee</u> fails to complete the terms of the bill and hold <u>agreementcontract</u>, they shall invoice the retail<u>er licensee</u> for the amount of beverage actually received at the bill and hold price.
- (g) If a retailer <u>licensee</u> refuses to complete the terms of the bill and hold <u>agreementcontract</u>, the wholesale distributor shall invoice the retailer for the amount of beverage actually received at the standard or base price in effect and filed with the commission pursuant to RSA 179:33, <u>IVIII</u>, at the time of the original bill and hold order.
- (h) Disputed bills, reported to the commission as delinquent pursuant to RSA 179:13, shall be handled as provided by RSA 179:13, III.

Liq 506.13 Ownership and Pricing of Beverage Product; Prepaid Orders.

- (a) For the purposes of RSA Title XIII and commission administrative rules, ownership of beverage product shall transfer from:
 - (1) The wholesale distributor <u>licensee</u> to the retail licensee upon delivery by the wholesale distributor and acceptance by the retailer <u>in person</u>, or upon pick up of beverage at the wholesale distributor's place of business by the retailer; and
 - (2) The beverage vendor or beverage vendor importer to the wholesale distributor on the date of delivery at the wholesale distributor's premises, or upon pick up of beverage at a beverage vendor's, beverage vendor importer's or wholesale distributor's place of business by the wholesale distributor.

- (b) Pursuant to RSA 179:33, <u>IVIII</u> prices charged for beverage products shall be those posted with the commission effective the date of transfer of ownership of the beverage product, except for those invoices of beverage product issued pursuant to the provisions of Liq 506.14.
 - (c) All prices and terms, including bill and hold shall be:
 - (1) Registered with the commission pursuant to RSA 179:4133; and
 - (2) Made available to all retailers on an equal basis.
- (d) No other prices and terms shall be offered to retailers than those filed with the commission pursuant to RSA 179:4433.
- (e) No pre-paid orders for beverage shall be permitted. A retailer may place funds on account with a wholesale distributor, which may be applied to invoices once the beverage is delivered, but shall not be encumbered by undelivered orders.

Liq 506.14 RESERVED.

Brew Pub Reporting Forms; Filing Deadlines.

- (a) Each brew pub shall report to the commission all quantities of beverage produced, transferred to the bonded area, sold or transferred to any licensed wholesaler by the 10th of the month covering sales or transfers for the preceding month.
- (b) Each brew pub shall supply on in a format approved_by the commission the following:
- (1) The brew pub's name, address, and license number;
- (2) The month being reported;
- (3) The dates of each batch of beverage brewed;
- (4) For each batch brewed:
- a. The total number of barrels or gallons;
- b. The total loss and waste in barrels or gallons; and
- c. The total number of barrels or gallons transferred or sold to the bonded area;
- (5) The total, in gallons, of all beverages transferred to the bonded area for the tax month reported;
- (6) Quantities in gallons sold to wholesalers, which shall also be reported on forms 258 and 334 as required by Liq 506.10(b) listed by invoice;
- (7) The total fees required by RSA 178:13 IV; and
- (8) Signature of the owner, a partner, or a corporate officer. [JS4]

- (c) A copy of the brewpub's monthly federally required brewer's report of operations for the period reported shall be attached:
- (d) If the brewpub files quarterly TTB or subsequent federally required brewer's report of operations:
- (1) Copies of the brewpub's biweekly federal tax forms for the period shall be attached; and
- (2) A copy of the quarterly brewers report of operations shall be submitted to the commission when filed.

Adopt Liq 506.15 – Liq 506.22 to read as follows:

- Liq 506.15 Tenant Brewer/Host Brewer.
- (a) A tenant brewer shall obtain a TTB brewer's notice for each host site.
- (b) A tenant brewer shall file with the NH Liquor Commission:
 - (1) A copy of their TTB brewer's notice for each host site.
 - (2) All TTB reports/forms by the 10th of the following month; and
 - (3) A copy of their contract with the host brewer.
- (c) A tenant brewer shall maintain records and logs of all beer or specialty beer produced at a host site which shall include date, time, equipment, employees, and quantity.
 - (d) A tenant brewer shall file a copy of the log with the commission by the 10th of the following month;
- (e) A tenant brewer is authorized to manufacture beer or specialty beer on the premises of the host brewery;
- (f) A tenant brewer shall obtain product approval with the commission prior to producing the beer or specialty beer at a host site;
- (g) All beer or specialty beer produced at a host site shall be transferred from the host site within 60 15 days of bottling or kegging:
- (h) A host brewer shall maintain a valid TTB brewer's notice and a beverage manufacturer license with the commission;
- (i) The host brewer shall adhere to TTB regulations regarding tenant/host brewing and shall make all documents available to the commission;
 - (j) The tenant and host brewers shall notify the commission when the contract is terminated;
- (k) A licensee under RSA 178:18. RSA 178:20, RSA 178:21 and RSA 178:22, shall not be granted a tenant brewer license; and,
 - (1) A holder of a wholesaler license in any state, shall not be granted a tenant brewers license.

- Liq 506.16 Tax Filings Required for Beverage Manufacturers, Beverage Manufacturers Retail Outlets, Beverage Vendors, Nano Breweries, Liquor Manufacturer, Rectifiers, Wine Manufacturers, Wine Manufacturers Retail Outlets, and Beer Festivals.
- (a) The following monthly tax forms containing the required information shall be received in the commission's offices on or before the 10th of the following month, regardless of activity:
 - (1) Form A-200 "Beverage Manufacturers" (revised 1/22);
 - (2) Form A-201 "Brew Pubs" (revised 1/22);
 - (3) Form A-202 "Nano Breweries" (revised 1/22);
 - (4) Form A-203 "Liquor Manufacturers" (revised 1/22);
 - (5) Form A-204 "Rectifiers" (revised 1/22);
 - (6) Form A-205 "Wine Manufacturers" (revised 1/22);
 - (7) Form A-206 "Wine Manufacturers Retail Outlets" revised 1/22);
 - (8) Form A-207 "Beverage vendor (self-distribution)" (revised 1/22); and
 - (9) Form A-208 "Beverage Manufacturer Retail Outlets" (revised 1/22).
 - (b) Postmark does not constitute receipt by the commission.
- (c) At such time as the commission implements an on-line reporting system, the commission shall charge additional process fees for tax payments as authorized by law.
- (d) Beer festival licensees shall file Form A-006 "Beer Festivals" (revised 1/22) within 10 days after the event.
- <u>Liq 506.17 Beverage Manufacturers, Brew Pubs, Nano Breweries, Liquor Manufacturers, Rectifiers,</u> Tenant Brewers and Wine Manufacturers TTB Production Reports.
- (a) Beverage manufacturers, brew pubs, nano breweries, liquor manufacturers, rectifiers, tenant brewers and wine manufacturers shall file with the commission all required TTB product reports within 10 days of the TTB filing.
- (1) Beverage manufacturers, beverage vendors, brew pubs, nano breweries and tenant brewers shall file the brewer's report of operation.
 - (2) Liquor Manufacturers shall file the following reports:
 - a. Report of Processing Operations;
 - b. Monthly Report of Storage Operations; and
 - c. Monthly Report of Production Operations.

- (3) Rectifiers shall file the following reports:
 - a. Report of Processing Operations;
 - b. Report of Storage Operations; and
 - c. Report of Production Operations.
- (4) Wine manufacturers shall file the Report of Wine Premises Operations.

Liq 506.18 Beverage Manufacturers, Beverage Manufacturer Retail Outlets, Beverage Vendors, Brew pubs, Nano breweries, Liquor Manufacturers, Rectifiers, Wine Manufacturers, Wine Manufacturer Retail Outlets and Wholesale Distributors Tax Report; Proper Record Keeping.

- (a) Beverage manufacturers, beverage manufacturer retail outlets, beverage vendor, brew pubs, nano breweries, liquor manufacturers, rectifier, wine manufacturers, wine manufacturer retail outlets and wholesaler distributors shall maintain a complete and accurate account of business, separated in such a manner that the commission upon audit may determine the amount of taxes due to the commission.
- (b) The frequency of manufacturers and wholesaler audits shall be determined on the amount of taxes paid to the commission, production amounts and/or amount of sales. The higher the amount is, the more frequently an audit will be conducted.
 - (c) Beverage manufacturers shall maintain and preserve the following business records for two years:
 - (1) Sales slips for hospitality room, retail room and farmer's markets;
 - (2) Cash register tapes for hospitality room, retail room and farmer's markets;
 - (3) Sales and return invoices for wholesale distributors, if applicable;
 - (4) Sales and return invoices for retail licensees, if applicable;
 - (5) Payment information from retail licensees, if applicable;
 - (6) Form L-081 "Limited Credit Reporting" (revised 1/22) if applicable; and
 - (7) Form L-080 "Keg Registration Book" (revised 1/22);
 - (d) Beverage vendors shall maintain and preserve the following business records:
 - (1) Sales and return invoices for retail licensees;
 - (2) Payment information from retail licensees;
 - (3) Notifications to the commission of delivery to retail licensees; and
 - (4) Licensed carrier information;
 - (e) Brew pubs shall maintain and preserve the following business records:

- (1) Brew logs and brew sheets;
- (2) Sales slips for food, beer, wine, liquor and farmer's markets;
- (3) Cash register tapes for food, beer, wine, liquor and farmer's markets;
- (4) Sales and return invoices for wholesale distributors, if applicable;
- (5) Sales and return invoices for retail licensees, if applicable;
- (6) Sales and return invoices for wholesale sales outside of New Hampshire; if applicable;
- (7) Payment information from retail licensees, if applicable;
- (8) Form L-081 "Limited Credit Report" (revised 1/22), if applicable; and
- (9) Form L-080 "Keg Registration Book" (revised 1/22);
- (f) Nano breweries shall maintain and preserve the following business records:
 - (1) Sales slips for tasting room, retail room and farmer's markets;
 - (2) Cash register tapes for tasting room, retail room and farmer's markets;
 - (3) Sales and return invoices for wholesale distributors, if applicable;
 - (4) Sales and return invoices for retail licensees, if applicable;
 - (5) Payment information from retail licensees, if applicable;
 - (6) Form L-081 "Limited Credit Report" (revised 1/22), if applicable; and
 - (7) Form L-080 "Keg Registration Book" (revised 1/22);
- (g) Liquor manufacturers shall maintain and preserve the following business records:
 - (1) Sales slips for tasting room and retail rooms;
 - (2) Cash register tapes for tasting room and retail room; and
 - (3) Records for samples used off-premises.
- (h) Rectifiers shall maintain and preserve the following business records:
 - (1) Sales slips for tasting room;
 - (2) Cash register tapes for tasting; and
 - (3) Records for samples used off-premises.
- (i) Wine manufacturers shall maintain and preserve the following business records:

- (1) Sales slips for tasting room, retail room and farmer's markets;
- (2) Cash register tapes for tasting room, retail room and farmer's markets; and
- (3) Sales and return invoices for retail licensees, if applicable;
- (j) Wine manufacturers retail outlets shall maintain and preserve the following business records:
 - (1) Sales slips for tasting room and retail room;
 - (2) Cash register tapes for tasting room and retail room; and
 - (3) All inventory records showing the transfer of wine from the wine manufacturer's premises to the wine manufacturer retail outlet;
- (k) Wholesale distributors shall maintain and preserve the following business records:
- (1) All invoices and bill of lading from beverage vendors, beverage manufacturers, brew pubs and nano breweries;
 - (2) Sales and return invoices for retail licensees;
 - (3) Payment information and collection sheets from retail licensees; and
 - (4) Form L-081 "Limited Credit Report" (revised 1/22).
- <u>Liq 506.19</u> Beverage Manufacturer, Brew pub, Nano Brewery, and Wholesale Distributors-; Limited Credit.
- (a) Wholesale distributors, beverage manufacturers, brew pubs and nano breweries who sell to licensees shall file with the commission on every business day Form L-081 "Limited Credit Report" (revised 1/22) showing any licensee that is delinquent in making payments and any reported delinquent licensee who has made payment.
- (b) Wholesale distributor, beverage manufacturers, brew pubs and nano breweries shall notify in writing any licensee who is delinquent in making payments.
- (c) Wholesale distributor, beverage manufacturers, brew pubs and nano breweries shall preserve all payment information from licensees and make the information available to the Commission at the time of an audit.
 - Liq 506.20 Specialty Beverages.
- (a) Beverage manufacturers and Beverage vendors shall file with the Commission the required information on Forms 259 "Sales" (revised 1/22) and 335 "Returns" (revised 1/22) showing sales and returns of specialty beverage to a wholesale distributor by the 10th of the following month regardless of activity.
- (b) Wholesale distributors, beverage manufacturers and beverage vendors shall invoice specialty beverages on a separate invoice and not include any other beverages.
- Liq 506.21 Nano Breweries and Wine Manufacturers Sampler.

- (a) Nano breweries shall file Form LTA-1M "Application" (revised 1/20) with the commission prior to conducting sampling at a wine manufacturer's premises.
- (b) Wine manufacturer shall file Form LTA-1M "Application" (revised 1/20) with the commission prior to conducting sampling at a nano brewery's premises.
- (c) Nano breweries and wine manufacturers shall provide written notification to the commission which may be by email prior to conducting any sampling event with the date, time and location.
- (d) Nano breweries and wine manufacturers shall record all samples and sales on their monthly tax reports.

Liq 506.22 Ingredients in Alcohol.

- (a) All alcoholic products manufactured or imported into New Hampshire shall follow the federal guidelines issued by the TTB on the use of formulas or labels for alcohol products that contain a controlled substance.
- (b) No alcoholic product shall contain any controlled substance under the Controlled Substance Act (CSA), 21 U.S.C Chapter 13.
- (c) No alcoholic product's label shall refer to any illegal substance under the Controlled Substance Act (CSA), 21 U.S.C Chapter 13.

Readopt with amendment Liq 507.01-509.01 effective 7-22-14 (Doc. # 10467) to read as follows:

PART Liq 507 CATERER'S ON- AND OFF-SITE LICENSES

Liq 507.01 <u>Definitions</u>. For purposes of this part, the following terms shall be construed as set forth below:

- (a) "Private group" means an assembly of persons gathered for a designated social or business occasion, present by reservation or invitation, and does not include the general public.
- (b) "Public building" means any building, excluding all private residences, maintained and available for any person, group or organization, including:
 - (1) Retail business establishments when not open to the public;
 - (2) A licensed premises provided there is a physical barrier between the licensed business and the catered area; and
 - (3) Tents, gazebos, or other defined outdoor areas provided 2 separate toilet facilities are located within the immediate vicinity.

Liq 507.02 Notification.

(a) <u>Caterers On-</u> and off_-site caterers <u>licensees</u> shall notify the commission <u>providing the required information on Form L-073 "Caterer Notification" (revised 1/22) in writing at least 5 business days before the date of any scheduled event at which alcoholic beverages will be served on premises currently licensed for this purpose.</u>

- (b) The licensee shall supply the following:
- (1) Name, address, liquor license number and phone number of the business:
- (2) Name of the clients, dates, times, and locations in the case of an off site caterer of the functions.
- (3) Signature of the licensee or his or her manager. Liq 507.03 Application For Additional Sites.
- (a) At least 10 business days prior to a function, off-site caterer <u>licensees</u> shall apply for approval of any permanent or temporary site not previously approved for the service of alcoholic beverages.
- (b) The licensee shall supply on <u>Form L-038</u> "Additional Sites" (revised 1/22) <u>found on the commission web site or an equivalent document the following required information and documentations.</u>
 - (1) Name, address, liquor license number of the business;
 - (2) Names of the client, type of event, address of the client;
 - (3) Name of the building or site, address, owner of the site and his or her address;
 - (4) Proof of authority to occupy the premises and the building capacity pursuant to Liq 702.03 (b)(1) and (2);
 - (5) Proof of compliance with the fire codes pursuant to Liq 702.03 (b)(2);
 - (6) Proof of compliance with health codes pursuant to Liq 702.03 (b)(5);
 - (7) Proof of compliance with RSA 179:19, II & III with regard to entertainment;
 - (8) Signature of the applicant under the penalties of RSA 641:3. [JS5]

Liq 507.04 Restrictions on Serving.

- (a) Holders of a cCaterer's or off-site caterer's licensees shall serve alcoholic beverages only to private groups.
- (b) Notwithstanding the provisions of paragraph (a), the holder of a caterer's supplemental license issued pursuant to RSA 178:22, V(e)(1)(B) may serve the public provided that:
 - (1) They have petitioned the commission pursuant to Liq 205.10(a)(1) for permission to utilize a supplemental license date at least 5 days prior to the scheduled event giving the date, times of the event and nature of any entertainment to be conducted on the premises;
 - (2) At such times as they are serving liquor or beverage to the public they shall serve food; and
 - (3) They shall not simultaneously serve both the public and private groups unless they have separate toilet facilities, entrances, exits and a <u>complete physical</u> separation shall be effected between the public groups and the private group portion of the premises_during the period of the supplemental license.

Liq 507.05 <u>Certification FormRenewal Application</u>.

- (a) A caterer licensed pursuant to RSA 178:22 V(e)(1), shall file with the commission certification of caterer's sales certificate form covering food, beverage and liquor sales made by the licensee during the previous license year with the commission on the license renewal application. the required information on Form LE-1 "Annual License Renewal Application" (revised 1/22)Form LE-1 (revised.
 - (b) Pursuant to (a) above the licensee shall supply the following:
- (1) Dates of the business period covered;
- (2) Total caterers sales of food and sundry items;
- (3) Total sales of beverage and liquor;
- (4) The signature of the individual, all partners, or president or secretary of a corporation.[JS6] Liq 507.06 Account of Business.
- (a) The holder of an on-site caterer's license shall retain his or her individual sales slips and maintain for 2 years a complete and accurate account of business, separated in such manner that the commission upon audit can determine the total amount of sales of food as compared to the sales of beverage, liquor and incidentals.
- (b) Such license holder shall retain for 2 years purchase orders, sales slips and register tapes. The cash register shall be of a type capable of registering sales of liquor and beverage separately from those of food.

Liq 507.07 Service and Preparation of Food. RESERVED.

PART Liq 508 AGENCY STORES

Liq 508.01 <u>Purpose</u>. The purpose of these rules is to set forth the <u>process for the requirements for selection of agents and operational requirements for agency liquor stores as provided for in RSA 177:9-16 in towns or surrounding relevant market <u>municipalities</u> where there is no state store and where the voters of the town <u>municipality</u> in which the agency liquor store wouldill be located have voted to allow the sale of liquor in state stores under RSA 175:7.</u>

Liq 508.02 <u>Definitions</u>.

- (a) "Agency store" means a liquor outlet not owned or operated by the N.H. state liquor-commission but licensed by the commission for the purpose of selling packaged liquor to the general public for off-premises consumption and operated in conjunction with another business.
- (b) "Agent" means the individual, partnership, association, corporation, or limited liability company licensed as an agency store.
- (c) "Business plan of operations" means a full detailed plan for the operation of the agency store for the term of the license, including but not limited to the hours of operation, staffing, inventory-, merchandise to be carried, markup and/or pricing policy, a plan of the liquor sales and display area, and advertising or merchandising plans.

(d) "Municipality" means city or town;

- (de) "Operational financial stability" means the financial capability to allocate funds efficiently and absorb <u>financial</u> shocks as they arise, thus preventing disruption to the state's control of liquor:
 - (ef) "Special seasonal agency store" means an agency store defined above licensed for only 6 months.
- (£g) "Surrounding relevant market" means the geographic area that is reasonably intended to be served by the agency liquor store.

Liq 508.03 General Conditions.

- (a) The agent shall be responsible for:
 - (1) Providing a building or sales space;
 - (2) Paying all utilities and rent;
 - (3) Supplying all fixtures; and
 - (4) Paying any and all expenses incidental to the operation of the agency store.
- (b) The commission shall determine the townsmunicipalities in which agency stores may legally be established, with consideration to the following:
 - (1) Effect on the economy;
 - (2) Availability of liquor; and
 - (3) Customers within the surrounding relevant market.
 - (c) The commission shall only establish agency stores:
 - (1) In a municipality which has voted in favor of the operation of state liquor stores under RSA 175:7; and
 - (2) <u>In towns with Has no state liquor store.; and</u>
- (3) The proposed location is not within 10 road miles of an existing commission liquor store or agency store.
- (d) The commission shall, at least annually, review the townsmunicipalities where agency stores may be established and determine whether establishment of agency stores in any of those townsmunicipalities is in the state's interest.
- (e) There shall be no presumption that any agency store license will be renewed at its expiration. All renewals shall be solely at the commission's discretion pursuant to RSA_177:11, and Liq 177:16 and RSA 178:29.
- (f) In the case of non-renewal of an agency store license, the commission shall have no obligation, financial or otherwise, to the agen<u>tey store operator</u>.

(g) In the case that the commission shall decide <u>not</u> to <u>not</u>-renew an agency store license, either to award said license to another agent or to discontinue agency operations in the <u>townmunicipality</u>, the commission shall notify the agency store operator at least 30 days prior to his or her license expiration.

Liq 508.04 Special Seasonal Agency Stores.

- (a) The commission shall choose <u>municipalities</u>towns in which to issue 6-month special seasonal agency store license based on seasonal tourist population and the sales volume at existing state and agency liquor stores in the same areas.
- (c) The commission shall apply the same selection criteria and method of advertising for and selecting seasonal agency stores as for regular agency stores.
 - (d) The commission shall not buy back any stock remaining at the end of the seasonal license period.
- (e) Seasonal license applicants shall include plans for off season storage of liquor in their proposed business plan of operations.

Liq 508.05 Agency Store Discounts/Compensation.

- (a) All agency stores shall receive a purchase discount allowance of 8% from commission retail prices. The discount allowance from the commission retail prices shall equally apply to all agency stores.
 - (b) No other compensation shall accrue.

Liq 508.06 Status of Agency Store Operator ts and Employees.

- (a) Agents and their employees shall not:
 - (1) Be considered commission employees; or
 - (2) Be entitled to any benefits of employment from the State of New Hampshire.
- (b) An agency store The agent shall, upon entering an agency agreement with the state, agree to hold harmless and indemnify the State of New Hampshire, Liquor Commission and the Liquor Commission's Divisions for any actions brought against the agreeing agency store t as a result of negligent or intentional conduct of the agency store.
 - (c) All agency store personnel shall meet the requirements of RSA 179:23.

Liq 508.07 Days and Hours of Operation.

- (a) Agency stores shall be considered off-sale-premises licensees for the purposes of maximum operating hours.
- (b) Agency stores and seasonal agency stores shall be open to the public as specified in their business plan of operations, but not less than 40 hours per week.

Liq 508.08 Temporary Closures.

- (a) Any agency store that plans to be closed or not operate <u>during the scheduled hours as called for in</u> their accepted business plan of operations shall send written notice to the commission at least 7 <u>business</u> days in advance of the closing or change in scheduled hours of operation.
- (b) The notice shall state the reason for the closure or change of hours of the agency store, the date of closing or schedule change, and the date of the intended reopening.
 - (c) In an emergency, written notice including a full explanation shall be filed as soon as possible.
- (d) Failure to notify the commission shall result in administrative action by the commission whereby the commission shall consider suspension or revocation of the agency store operationlicense.

Liq 508.09 <u>Advertising and Promotion</u>. Agency stores shall be subject to the same restrictions on advertising and promotion <u>which-that</u> apply to off-<u>sale-premises</u> combination licenses and retail <u>table-wine</u> licenses found in RSA 179.

Liq 508.10 <u>Sales Restrictions</u>. The retail off-<u>premises</u>sale provisions of RSA 179 shall apply to agency stores.

Liq 508.11 Prices.

- (a) All agency stores The agent shall adhere to submit a its business plan of operation to the commission, which shall include ing the approved ir proposed pricing policy, which shall be adhered to during the term of the license pricing policy.
 - (b) This pricing policy may only be modified with the written permission of the commission.
- (c) All spirits sold by the agency store shall be priced the same as or higher than as sold in state liquor stores.
- (d) The aAgentey operators may use a depletion or post-off price-special purchase allowance that is being offered at a state liquor store.
 - (e) There shall be no ceiling limitation as to pricing by the agency store.
- (f) <u>Agency storesDe listed products</u> may be discounted de-listed products at the same levels as in state liquor stores.

Liq 508.12 Inventory.

- (a) The agency store may carry in its inventory any size and code which is listed in the general commission price list.
- (b) Agency stores shall carry an inventory as detailed in the business plan of operations accepted by the commission.

Liq 508.13 Purchasing of Liquor.

(a) Merchandise shall be purchased directly from the commission in a manner agreed to prior to licensing.

- (b) No returns other than wrong or defective merchandise shall be allowed.
- Liq 508.14 <u>Store Operations</u>. The agent or his or her <u>eommission approved managerduly appointed</u> <u>designee</u> shall manage and operate the store according to the terms of the business plan of operations accepted by the commission.
- Liq 508.15 <u>Storage Facilities; Premises</u>. The agent shall, at the agent's expense, provide premises which that contain sufficient selling area and protective storage space for the store operation as detailed in the agent's business plan of operations accepted by the commission.

Liq 508.16 Sales Agent Selection Procedure.

- (a) When the commission determines a surrounding relevant market meetings the requirements of RSA 177:11 it shall seek applications from the public in the following manner:
 - (1) The commission shall advertise the availability of an agency store license in a particular municipality and the boundaries of the surrounding relevant market within which such agency store shall be located on the commission website, and in a newspaper in the county where the agency store is to be located.
 - (2) The commission shall also notify by certified mail the governing body of the <u>particular</u> municipality where the agency store may be established;
 - (3) The commission shall also notify by certified mail the governing body of any municipality in the surrounding relevant market that the agency store is intended to serve; and
 - (4) The commission shall request that notice be posted at the town hall or other appropriate locations.
 - (b) The advertisement and notice shall include:
 - (1) General selection criteria and procedures for selection and appointing a retail sales agent as required by RSA 177, Liq 508.16 and Liq 508.17;
 - (2) Deadline for receiving applications; and
 - (3) How to obtain additional information.
- (c) The commission, once in receipt of all applications for an agency agentstore license, shall notify by certified mail the governing body of the particular municipality and the governing bodies of all municipalities within the surrounding relevant market of the proposed location of each applicant.
- (d) Processing of the proposed applications shall be suspended for 30 days, to allow municipalities and interested individuals to submit written comments to the commission on the proposed location of a new agency store.
- (e) The commission shall hold a public hearing consistent with RSA 177:11 IV(d) and RSA <u>5</u>41-A when;

(2)a. The request was made within 14 days of the original public notice requesting applications for an agency store license; and
(3) <u>b.</u> The commission shall hold the public hearing within 45 days of the close of the public comment period in the municipality in which the agency store may be located.
(f) _The commission shall evaluate all applications and select the applicant which, in its judgment-:
(1) Provides the greatest revenue to the state, and
(2) Provides the best service to the public, considering the following factors:
a. Price;
b. Selection;
c. Hours of operation;
d. Location; and
e. Sales area and layout.
(g) The commission shall appoint select an agency store using the selection criteria and requirements of RSA 177:11, RSA177:16, Liq 508.16 and Liq 508.17.
(h) The commission shall provide written notice_by certified mail to all applicants, the governing body of the particular municipality and the governing body of municipalities in the surrounding relevant market of the selected applicant or applicants.
(i) Any applicant aggrieved by a decision made by the commission may appeal the decision in accordance with RSA 541.
Liq 508.17 Ageneyt Selection Criteria.
(a) A-salesn agent applicant shall:
(1) Submit a business plan of operations detailing how the proposed agency store would operate

(1) The commission receives a written request from the governing body of the particular municipality or the governing body of any municipality located in the surrounding relevant market

provided:;

177:16.

license under RSA178:18.

during the term of the license;

(c) The adjunct business shall have operational financial stability based solely on non-alcohol sales.

(b) The agency store shall be operated as an adjunct to a business which that holds a combination

(2) Submit documentation demonstrating that the applicant meets the requirements of RSA

- (d) Other ageneyt applicant selection criteria shall include:
 - (1) Retail business experience at the current location;
 - (2) Retail experience at other locations;
 - (3) Whether the <u>agent applicant</u>, or his or her designated manager, has:
 - a. A record of felony conviction;
 - b. Conviction of crime relating to money management fraud;
 - c. A history of conviction of crimes relating to the abuse of alcohol or controlled substances;
 - d. A history of violations of the provisions of RSA 179 at the proposed location or at other licensed locations; or
 - e. Proof that the applicant, if convicted of a felony, meets the requirements of RSA 178:4 for exception;
 - (4) Financial ability to purchase or lease and equip the retail liquoragency store at a commission approved location; and
 - (5) Ability to provide the necessary funds to meet the operating expenses of the retail liquor agency store.
- (e) All agency store applicants submitting an application selected by the commission shall apply for an agency store license shall fulfill all requirements for a licensee as required by Liq 700.

Liq 508.18 Annual Agency Store License Renewal Review.

- (a) The commission shall not automatically renew agency store licenses.
- (b) Agency store operators shall file with the commission revised business plans of operation if there are any changes to the existing plans on file. Such changes shall be filed 2 months prior to license expiration or application for license renewal, whichever is greater.
- (c) Existing businesses meeting the requirements of RSA 177 and Liq 508.17 in a surrounding relevant market where an agency store is licensed may file a business plan of operations with the commission, with a request that the commission evaluate the plan before reissuing an agency store license.
- (d) The commission shall evaluate all business plans of operation on file prior to renewing an agency store license, and award the license to the operator who appears to be of greatest benefit to the state pursuant to Liq 506.16(f).
- (e) The commission shall not <u>relicense renew</u> agency store <u>licensee operations</u> which who do not adhere to their accepted business plan of operations and any commission approved changes to it.
- Liq 508.19 <u>Sales Agent Vacancy</u>. The commission shall discontinue or seek sales agent applications for an agency store location that has a sales agent vacancy.

Liq 508.20 <u>Prohibitions</u>. No sales agent, partner of a sales agent or officer or director of a sales agent shall be employed by a business that is licensed as a vendor, manufacturer, broker, importer, warehouser, representative or distributor of liquor or beverages.

PART Liq 509 GOLF FACILITY

Liq 509.01 Beverage Sales From Mobile Service CartBars on Golf Fairways.

- (a) Golf facility licensees may apply to provide service of beverage to patrons on the fairways from mobile service barscarts provided a service plan as defined in Liq 404.05 (e) has been submitted.
- (b) A "mobile service <u>barcart</u>" for the purposes of this rule means any golf cart or other similar vehicle, <u>which is staffed</u> by a person meeting the requirements of RSA 179:23, IV & V and <u>which has been</u> outfitted for storage, cooling or refrigeration, sale and service of beverage in cans or bottles.
- (c) No golf facility licensee shall sell or otherwise provide alcoholic beverage or liquor to patrons on any portion of the golf course without prior approval by the commission.
- (d) Licensees holding a golf facility license may petition the commission <u>bypursuant to Liq 205.10(a)</u> and Liq 404.05-providing the required information on Form L-076 "Authorization for Service in Another Area" (revised 1/22), to be approved for beverage sales and service from one or more mobile service <u>barcarts</u> on the golf course.
- (e) The commission shall only grant permission to golf facility licensees for mobile service barcarts under the following conditions:
 - (1) All individuals selling, serving or dispensing beverage from mobile service barscarts shall meet the requirements of RSA 179:23 IV-or V;
 - (2) All beverage and liquor possessed and consumed on the premises shall be that sold by the licensee;
 - (3) A sufficient number of employees shall be deployed to adequately control and insure adherence to all statutes and rules for the serving, sale and consumption of beverage on the golf course;
 - (4) No service or consumption of any alcoholic beverage shall be allowed in parking lots, except in areas approved for service of liquor and beverage pursuant to RSA 178:24 and Liq 404.05; and
 - (5) No licensee or their employees shall allow patrons to leave the premises with liquor or beverage.
- (f) The commission may suspend or revoke a licensee's mobile service <u>barcart</u> privilege only in addition to any other administrative penalty imposed by the commission for a violation of statute or rule which stems from service or sale of beverage from mobile service <u>barscarts</u> on the fairways without suspending or revoking the golf club's liquor license.

Readopt with amendment Liq 510.01-510.07, effective 12-10-14 (Doc. # 10742), to read as follows:

PART Liq 510 ALCOHOL CONSULTANT

Liq 510.01 <u>Definitions</u>. "<u>Private Residence</u>" means a structure serving as a dwelling or home, in which a person(s) lives or resides but does not include any locations licensed by the commission.

Liq 510.02 Notifications.

- (a) Alcohol consultants <u>licensees</u> shall provide to the commission in writing at least 5 <u>business</u> days before the date of any scheduled event the <u>following</u> information <u>required by Form L-74</u> "<u>Notification of</u> Educational Event" (revised 1/22):
 - (1) Name and liquor license number of the alcohol consultant;
 - (2) Client name, address, type of education event, and number of expected attendees;
 - (3) Address of residence where event is to be held;
 - (4) List of alcohol to be dispensed; and
 - (5) Dates and times of the educational event.
- (b) Alcohol consultants shall file with the commission in writing within 10 days following the scheduled event the following information required by Form L-74a "Event Report" (revised 1/22):
 - (1) Name of alcohol consultant and license number;
 - (2) Date and place of event; and
 - (3) Name, date of birth, address, phone number and type of ID used to verify age seen for each attendee.
- (c) Alcohol consultants shall maintain records for at least 3 years; such records shall be available for inspection at all times upon reasonable request.

Liq 510.03 Liquor/Wine and Beverages Purchases, Restrictions.

- (a) <u>All liquor</u> wine used for an alcohol educational event shall be purchased under the alcohol consultant license from the commission or from a licensed in-state manufacturer.
- (b) All beer/or beverage used for an alcohol educational event shall be purchased under the alcohol consultant license from a licensed New Hampshire wholesaler distributor.
- (c) Any beer, liquor or wine not available in New Hampshire may be obtained from a direct shipper who holds a valid direct shipper permit.
 - (d) Unused beverage/liquor/wine shall be removed from the private residence at the end of the event.

Liq 510.04 Age Verification.

- (a) Alcohol consultant <u>licensees</u> shall verify that all individuals attending an educational event are 21 years of age or over.
- (b) Attendees shall provide one of the acceptable forms of identifications listed in RSA 179:8 to show that such person is 21 years of age or over.

Liq 510.05 Sale Restrictions.

- (a) No alcohol consultant <u>licensee</u> shall provide alcoholic beverages for sale during an educational event.
- (b) Alcohol consultants may solicit orders for the sale of alcoholic beverages tasted during an educational event.
- (c) Alcohol consultant shall not accept any cash, checks, or credit cards for the purpose of purchasing alcohol during an educational event.

Liq 510.06 Serving Sizes, Restrictions.

- (a) Servings at an educational event shall not exceed ½ ounce of liquor or fortified wine, 2 ounces of any table wine, and 4 ounces of any beer for each brand sampled.
- (b) Alcohol consultant <u>licensees</u> may provide for samples up to 6-750ml bottles of wine or [L]liquor or 12-22 ounce bottles of beer or equivalent at each educational event.
 - (c) Alcohol consultants shall pour and serve all samples to the attendees of the educational event.
 - (d) Hours of such educational events shall be during the hours of 6:00 a.m. to 1:00 a.m. 7 days a week.
 - (e) No beer, liquor, or wine shall be consumed after these hours; and
- (f) No alcohol consultant shall <u>deliver or providesell</u> alcoholic beverages for sale during an educational event.
- (g) No liquor, wine or beer shall be served during an educational event except for the liquor, wine, or beer served by the alcohol consultant.

Liq 510.07 <u>Advertising</u>. No advertising for an educational event at a private residence shall be permitted. Such events shall be by private invitation only.

Adopt Liq 511 to read as follows:

Liq 511.01 Account of Business. (a) A cigar bar licensee shall file and preserve his or her individual sales slips, cash register tapes, and maintain a complete and accurate account of business, separated in such manner that the commission upon audit may determine the total amount of cigar sales and cigar related items compared to the sales of beverage, liquor and other non-cigar related items; (b) The licensee shall maintain purchase invoices; (c) All sales shall be recorded on a cash register, which separates sales of liquor and beverage from sales of cigars; and

(d) The cigar bar shall make available records to the commission at the time of an audit.

<u>Liq 511.02 Sale of Food. A cigar bar licensee shall not sell food on the premises.</u>				
Liq 511.03 Cigar and Cigar Related Items.				
(a) Cigar means a tobacco product wrapped in a tobacco leaf;				
(b) Cigar related items shall include but not be limited to lighters, cutters, ashtrays, humidors; and				
(c) The sale of hookahs, pipe tobacco, or cigarettes, shall not be included in the sale of cigars per Liq 706.36 (h).				
Liq 511.04 Cigar Bars Certification of Cigar and Alcohol Sales.				
(a) A cigar bar licensee shall file with the commission the information required by the Form A-008 "Sales Certificate" (revised 1/22), covering cigars, cigar related items, and beverages and liquor sales made by the licensee during the previous quarter by the 15 th of the following month;				
(b) Each calendar year shall be divided as follows:				
(1) First quarter from January through March;				
(2) Second quarter from April through June;				
(3) Third quarter from July through September; and				
(4) Fourth quarter from October through December.				

APPENDIX

RULE	STATUTE
Liq 501.01-501.08	RSA 178:22, V(h)
Liq 501.09	RSA 179:19, VI
Liq 501.10-501.14	RSA 178:22, V(h)
Liq 501.15	RSA 178: 25
Liq 502	RSA 178:21, II(b) and RSA 178:22, V(k)
Liq 503	RSA 178:20 and RSA 178:21, II
Liq 505	RSA 178:22, V(1)
Liq 506.01-506.07	RSA 178:16 and RSA 178:26
Liq 506.08-506.09	RSA 179:33
Liq 506:10	RSA 178:16 and RSA 178:26
Liq 506:11 (RESERVED)	
Liq 506:12-506:13	RSA 179:33
Liq 506:14 (RESERVED)	
Liq 506.15	RSA 178:12 and RSA 178:12-b
Liq 506.16	RSA 178:12, V; RSA 178:15, VII; RSA
	178:12-a, I and VIII; RSA 178:6, VI; RSA
	178:7, VI; RSA 178:8, IV; RSA 178:30, V;
	RSA 178:26; RSA 179:14; RSA 179:35
Liq 506.17	RSA 178:12, V; RSA 178:13, IV; RSA
	178:12-a, I and VIII; RSA 178:12-b, III;

	RSA 178:6, VI; RSA 178:7, VI; RSA 12-b,
	VI; RSA 178:8, IV
Liq 506.18	RSA 178:12, V; RSA 178:15, VII; RSA
	178:13, IV; RSA 178:12-a, I and VIII; RSA
	178:6, VI; RSA 178:7, VI; RSA 178:8, IV;
	RSA 178:30, V; RSA 178:26; RSA 179:14;
	RSA 179:35
Liq 506.19	RSA 176:14, VIII (b);
Liq 506.20	RSA 178:12, V and X; RSA 178:15, II; RSA
	178:16.
Liq 506.21	RSA 178:8, IV; RSA 178:12-a
Liq 506.22	RSA 175:22; RSA 176:14; RSA 179:16
Liq 507	RSA 178:22, V(e)
Liq 508	RSA 177:9-16
Liq 509	RSA 178:22, (v)
Liq 510	RSA 176:14 and RSA 178:27-a
Liq 511	RSA 178:20-a