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Relative and Applicable Statutes and Rules:

RSA 175:1;178:12;178:16;178:26

Law Changes Relative to Specialty Beverage

1. Purpose

Effective July 27, 2020 the change establishes a new category of alcohol beverages titled "specialty beverage."

2. Discussion

The law change requires the Commission to develop new approval procedures, reporting forms and creates a system for tax collection. The Commission is working diligently to expedite this process so retailers have access to these products. Accordingly the following procedures have been implemented:

- a. Beverage vendors shall submit the, "Product Approval Form" to the Commission (with samples of product).
- b. In- State beverage manufacturers shall complete the new tax form for in- state beverage manufacturers to be completed by the 10th of the following month.
- c. Wholesale Distributors shall complete a modified Form 246 and a new schedule for specialty beverages on their monthly tax reports, in accordance with LIQ. 506.10(d).
- d. In addition to forms #258 & #334, Beverage Vendors and Beverage Manufacturers shall file by the 10th of the following month, forms #259 & #335 for any Specialty Beverage shipped to Wholesale Distributors.

3. Beverage Vendor License

Any out of state company holding a license to manufacture or distribute beverage, wine or liquor or any New Hampshire liquor manufacturer, New Hampshire wine manufacturer or New Hampshire rectifier wishing to sell specialty beverages to wholesale distributors in the State of New Hampshire shall be required to obtain a Beverage Vendor license, in accordance with RSA 178:15. To initiate the application process click on the following link:

https://www.nh.gov/liquor/enforcement/licensing/initial-application.htm.



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4. FAQ

Q. I want my specialty beverage (16oz/6%-8%) to be distributed by New Hampshire wholesale distributors. How do I proceed for consideration?

A. Upon obtaining the proper license, the product sample and completed product approval form will be submitted directly to the Division of Enforcement & Licensing. The request will be reviewed and a recommendation for consideration will be issued by the Director of Enforcement and confirmed on the Commission Agenda. Upon confirmation, the product will be added as a specialty beverage for sale by New Hampshire wholesale distributors.

Q. I want my specialty beverage (16oz/6%-8%) to be distributed by a New Hampshire Liquor and Wine Representative and sold through the New Hampshire State Liquor Stores (Outlets) and/or the DHL warehouse. How do I proceed for consideration?

A. Upon obtaining proper license, the product consideration will be submitted to the Direct of Marketing for review. The recommendation for consideration will be confirmed on the Commission Agenda. The product will be entered as a "specialty beverage" for sale in New Hampshire State Liquor Stores (Outlets), agency stores and/or the DHL warehouse.

Q. I want my specialty beverage (16oz/6%-8%) to be sold through the New Hampshire State Liquor Stores (Outlets), DHL warehouse and New Hampshire wholesale distributors. How do I proceed for consideration?

A. Upon obtaining the proper license, the product sample and completed product approval form will be submitted directly to the Division of Enforcement & Licensing. The request will be reviewed and a recommendation for consideration will be issued by the Director of Enforcement and the Director of Marketing. The recommendation for consideration will be confirmed on the Commission Agenda. Upon confirmation, the product will be entered as a specialty beverage for sale in New Hampshire State Liquor Stores (Outlets), DHL warehouse and New Hampshire wholesale distributors.

5. Questions

Please contact the New Hampshire Liquor Commission- Division of Enforcement & Licensing at 603-271-2039.

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6. Please see below for complete law changes:

37:129 Definitions; Beverage Vendor. Amend RSA 175:1, X to read as follows:

X. "Beverage vendor" means an individual, partnership, limited liability company, or corporation, including any subsidiaries thereof, which sells beverages *or specialty beverages* to wholesale distributors.

37:130 New Paragraph; Definition; Single Serve. Amend RSA 175:1 by inserting after paragraph LXII the following new paragraph:

LXII-a. "Single serve" means a specialty beverage container that does not exceed 16 ounces.

37:131 Definition; Beverage. Amend RSA 175:1, VIII to read as follows:

VIII. "Beverage" means any beer, wine, similar fermented malt or vinous liquors and fruit juices, and any other liquid intended for human consumption as a beverage having an alcoholic content of not less than 1/2 of one percent by volume and not more than 6 percent alcohol by volume at 60 degrees Fahrenheit and specialty beer as defined in RSA 175:1, LXIV-a. The commission may approve any fermented malt beverage or mead greater than 6 percent but not to exceed 8 percent or any cider greater than 6 percent or any specialty cider greater than 8 percent and not to exceed 12 percent alcohol by volume at 60 degrees Fahrenheit. A beverage shall not be considered a product classified by the commission as a domestic wine as defined in RSA 175:1, LXVII, or a table wine as defined in RSA 175:1, LXVIII, or a liquor as defined in RSA 175:1, XLII.

37:132 New Paragraph; Definition; Specialty Beverage. Amend RSA 175:1 by inserting after paragraph LXIV-aa the following new paragraph:

LXIV-aaa. "Specialty beverage" means any wine based product or liquor based product with other liquids added for human consumption having a combined alcoholic content of not less than 6 percent alcohol by volume and not more than 8 percent alcohol by volume at 60 degrees Fahrenheit and sold in single serve ready to drink containers that shall not exceed 16 ounces. The commission may approve any specialty beverage. A specialty beverage shall not be considered a product classified by the commission as a domestic wine as defined in RSA 175:1, LXVII, a table wine as defined in RSA 175:1,



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LXIX, a fortified wine as defined in RSA 175:1, LXVIII, or a liquor as defined in RSA 175:1, XLII.

37:133 Wholesale Distributor License; Specialty Beverages Added. Amend RSA 178:16, I to read as follows:

I. Wholesale distributor licenses shall authorize the licensees to sell beverages in barrels, bottles, or other closed containers and specialty beverages in single serve containers to licensees for resale or to the general public. A wholesale distributor shall provide to an on-premises or off-premises licensee any obtainable beverage, specialty beverage, beer, specialty beer, or cider. Requested products shall be priced subject to special order terms as agreed by all parties. The holder of a wholesale distributor license shall maintain a regular place of business in this state.

37:134 New Paragraph; Wholesale Distributor License; Specialty Beverages Added. Amend RSA 178:16 by inserting after paragraph V the following new paragraph:

VI. Nothing in this chapter shall preclude or prevent a licensed liquor and wine representative, liquor vendor, or wine vendor from selling specialty beverages to the state nor place any limitations or restrictions on the commission from distributing and selling specialty beverages.

37:135 Additional Fees; Specialty Beverages Added. Amend RSA 178:26, I to read as follows:

I. In addition to the annual license fees provided in this chapter, a fee of \$.30 for each gallon of beverage sold or transferred for retail sale or to the public shall be required for licenses issued to wholesale distributors, beverage manufacturers, and brew pubs; provided, however, that if beverage container mandatory deposit legislation is enacted, such fee shall be \$.18 per gallon as of the effective date of such legislation. A fee of 5 percent of the wholesale price per case of any specialty beverage sold or transferred for retail sale or to the public shall be required for licenses issued to wholesale distributors or beverage manufacturers. For failure to pay any part of the fees provided or under this section when due, 10 percent of such fees shall be added and collected by the commission from the licensee. 37:136 Beverage Vendor License; Specialty Beverages Added. Amend RSA 178:15, I to read as follows



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I. The holder of a beverage vendor license may sell beverages *or specialty beverages* to New Hampshire wholesale distributor licensees.

37:137 Beverage Manufacturer License; Specialty Beverages Added. Amend RSA 178:12, I to read as follows:

- I. Beverage manufacturer licenses shall authorize the licensee to manufacture beverages *and specialty beverages* within the state and to sell the beverages manufactured to wholesale distributors.
- 37:138 Combination License; Specialty Beverages Added. Amend RSA 178:18, I to read as follows:
- I. Off-premises licenses shall be issued only for grocery and drug stores not holding on-premises licenses. Such licenses shall authorize the licensees to sell fortified wine, table wine, [and] beverages, and specialty beverages for consumption only off the premises designated in the licenses and not to other licensees for resale. Such sale shall be made only in the immediate container in which the beverage, specialty beverage, wine, or fortified wine was received by the off-premises combination licensee; except that in the case of the holder of a wholesale distributor license, beverages and specialty beverages may be sold only in such barrels, bottles, or other containers as the commission may by rule prescribe. Off-premises licenses authorize the licensee to sell tobacco products or e-There shall be no restriction on the number of combination licenses held by any person. The license shall authorize the licensee to transport and deliver beverages, specialty beverages, tobacco products, ecigarettes, and table or fortified wines ordered from and sold by the licensee in vehicles operated under the licensee's control or an employee's control.

37:139 On-premises Beverage and Wine Licenses; Specialty Beverages. Amend RSA 178:20 to read as follows:

178:20 On-Premises Beverage and Wine Licenses.

I. The commission may issue a license to any of the types of businesses specified in paragraph II of this section in any town which has voted to accept the provisions of RSA 663:5, I(b) and (c). The license issued shall entitle the licensee to serve beverages, *specialty beverages*, and wines and similar vinous liquors or fruit juices containing at least 1/2 percent and not over 24 percent alcohol by volume at 60 degrees Fahrenheit, by the glass or



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other suitable container, and by the bottle if the cap or cork is removed, for

II. The commission may authorize bed and breakfasts with suitable cooking and dining areas, dining cars, vessels serving food, restaurants, and outlets of the New Hampshire Fair Association who are members in good standing to serve beverages, *specialty beverages*, and wines in any areas approved by the commission at such times as food is available. New Hampshire Fair Association outlets shall not be subject to reduced fees as provided by RSA 178:29.

- III. No beverages, *specialty beverages*, or liquor shall be consumed in the licensed areas except those that are sold by the licensee.
- IV. No beverages, *specialty beverages*, or liquor shall be removed from the licensed premises by patrons, except as provided by RSA 179:27-a.
- V. Notwithstanding the fact that the town of Errol has voted or votes in any referendum to prohibit the sale of liquor and beverages, a license as provided in paragraph I to sell beverages, *specialty beverages*, and wines by the glass or by the bottle, if the cork is drawn, to customers, may be issued to any full service restaurant in said town but only if the restaurant is open and does business at least 10 months of every calendar year and if said restaurant shall meet all other requirements of this section.
- 37:140 On-Premises Beverage and Liquor Licenses; Specialty Beverages Added. Amend RSA 178:21 to read as follows 178:21 On-Premises Beverage and Liquor Licenses.
- I.(a) The commission may issue a license to any of the types of businesses specified in paragraph II of this section in any town which has voted to accept the provisions of RSA 663:5, I(b), (c), and (d). The license shall entitle the licensee to serve beverages *or specialty beverages* containing at least 1/2 percent and not more than [6] 8 percent alcohol by volume at 60 degrees Fahrenheit by the glass or other suitable container and by the bottle with the cork or cap removed; liquor containing more than 6 percent alcohol by volume at 60 degrees Fahrenheit, by the glass or other suitable container; and wines, by the glass, by the bottle with the cork or cap removed; or other suitable container, under rules adopted by the commission.
- (b) No beverage, *specialty beverage*, or liquor shall be consumed on the premises except that which is sold by the licensee.



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- (c) No beverage, *specialty beverage*, or liquor shall be removed from the licensed premises by patrons, except as provided by RSA 179:27-a.
- II. The commission may authorize establishments, as they are defined in RSA 175:1, having full service restaurants to sell beverages, *specialty beverages*, and liquor at such time as food is available.
- (a)(1) Licenses for Full Service Restaurants. The commission may issue a license to any full service restaurant. Such license shall entitle the licensee to sell beverages, specialty beverages, and liquor at tables in the approved dining rooms of the restaurant with or without meals when the restaurant kitchen is in operation and meals are being actively promoted and served in that dining room. The dining room shall not, however, be used as a substitute for lounge operations. Licenses shall be granted only to restaurants approved by the commission and which show the commission on forms, filed with the license application, covering the 12 most recent calendar months prior to filing, that at least 50 percent of the gross sales of any such licensee is in food. Restaurants with annual food sales of at least \$75,000 shall be exempt from the 50 percent requirement. The commission shall at least annually review each license, and application for renewal, on the conditions stated in this paragraph.
- (2) The dining room shall be open for business at least 5 days a week for evening meals, unless the commission has granted an exemption.
- (3) Private groups contracting for function rooms may also be served beverages and liquor without food.
- (4) Notwithstanding the fact that the towns of Newington, New Hampton, and Landaff have voted or vote in any referendum to prohibit the sale of liquor and beverages, a license to sell beverages or specialty beverages by the glass or other suitable container or by the bottle with cap removed; wines or fortified wines by the bottle with cap removed; wines or fortified wines by the bottle, if the cork is drawn, or liquor by the glass or the suitable container to customers with meals at tables only, may be issued to any full service restaurant in the towns of Newington, New Hampton, and Landaff, but only if the restaurant is open and does business at least 10 months of every calendar year and if said restaurant shall meet all other requirements of this section.



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(5) Except as provided in this paragraph, no beverages, *specialty beverages*, or liquor shall be consumed in the licensed areas except those that are sold by the licensee. With the permission of the commission, a licensee may charge a fee for consumption of privately owned table wine stored on the premises and consumed with the purchase of a full-course

- (b)(1) Hotel Full Service Restaurant. The commission may issue a license to any hotel in any town. Notwithstanding the fact that the town where the hotel is located has voted not to approve the sale of beverages *and specialty beverages* in said town, the license issued to a hotel shall entitle the licensee to:
- (A) Sell beverages, *specialty beverages*, and liquor by the glass or other suitable container and wine by the bottle, if the cork is drawn, or by other suitable container to guests in the dining room or in the rooms of guests.
- (B) Sell beverages, *specialty beverages*, liquor, and wine by the bottle which shall be delivered to the rooms of guests, provided that such sales are not made below the cost of such beverages and liquor.
- (C) Include a specified quantity of complimentary beverages, *specialty beverages*, and liquor as part of a contract for the hosting of a convention or offer a specified quantity of complimentary beverages, *specialty beverages*, or liquor in soliciting such conventions. As used in this paragraph "convention" means an assembly of persons participating in a business, political, professional, or other organizational gathering. Notwithstanding RSA 175:4 or any rules adopted under that section, hotels may advertise and offer package deals to resident guests, which include complimentary drinks, provided such offers shall be limited to persons of legal drinking age.
- (D) Sell beverages, *specialty beverages*, and liquor in bottles or containers not exceeding one liter capacity, which shall be stored under lock and key in a cabinet or miniature refrigerated bar in hotel rooms and which shall be available only to hotel room guests who are of legal drinking age.
- (2) The dining room shall be open for business at least 5 days a week for evening meals, unless the commission has granted an exception.
- (3) Hotels may serve beverages, *specialty beverages*, and liquor in the dining room without meals provided the hotel kitchen is in operation and



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meals are being actively promoted and served in the dining room. The dining room may not be used as a substitute for lounge operations.

- (c) Bed and Breakfasts. The commission may issue a license to any bed and breakfast which has at least 4 rentable rooms and a dining area capable of seating the total number of registered guests and shall entitle the licensee to:
- (1) Sell liquor, [and] beverages, and specialty beverages to registered guests in any approved area or in the rooms of guests.
- (2) Sell liquor, [and] beverages, and specialty 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.
- (d) Dining Cars. The commission may issue a license to any railroad or car corporation, or designee, operating any dining cars in which food is served within this state, authorizing the holder of the license to sell in such cars liquor, [and] beverages, and specialty beverages to be consumed in such cars. Such license shall be good throughout the state in both license and non-license territory, and only one such license shall be required for all cars operated in the state by the same owner.
- (e) Vessels. The commission may issue a special license to the owner or operator of a passenger vessel operating out of any port of the state. Such license shall allow the sale of liquor with food or beverages *or specialty beverages* in any area of the vessel approved by the commission.
- 37:141 On-Premises Cocktail Lounge Licenses; Specialty Beverages Added. Amend RSA 178:22 to read as follows:
- 178:22 On-Premises Cocktail Lounge Licenses.
- I. The commission may issue a license to the types of businesses listed in RSA 178:22, V in any town which has voted to accept the provisions of RSA 663:5, I(b), (c), and (d). The license issued shall entitle the licensee to serve beverages, *or specialty beverages* by the glass, by the bottle with cap removed or in any other suitable container, wines by the glass, by the bottle with the cork or cap removed or in any other suitable container, or liquor by the glass or other suitable container.
- II. No person under the age of 18 shall be in the cocktail lounge unless accompanied by a parent, legal guardian, or adult spouse.



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III. Except as provided in this paragraph, no beverages, *specialty beverages*, or liquor shall be consumed in the licensed areas except those that are sold by the licensee. With the permission of the commission, a licensee may charge a fee for consumption of privately owned table wine stored on the premises and consumed with the purchase of a full-course

- IV. No beverages, *specialty beverages*, or liquor may be removed from the licensed premises by patrons, except as provided by RSA 179:27-a.
- V. The commission may authorize the following types of businesses as they are defined in RSA 175:1 to sell beverages, *specialty beverages*, and liquor in cocktail lounges:
- (a) Airports. The commission may issue a cocktail lounge license to any operator of an airport or designee. Such cocktail lounge license shall allow the licensee to serve liquor, *specialty beverages*, and beverages in such rooms as may be designated by the commission. Food and coffee shall be available without requiring a minimum or cover charge.
- (b) [Repealed.]
- (c) Ballrooms. (1) The commission may issue a cocktail lounge license to any ballroom which has seating accommodations for at least 500 patrons. The cocktail lounge license shall allow the licensee to sell liquor, *specialty beverages*, and beverages to patrons but only at such times as "live entertainment," as defined in RSA 175:1, is being provided by the licensee.
- (2) Any ballroom may open its facilities to the public for functions of a limited duration during which time liquor, *specialty beverages*, and beverages shall not be available to patrons and during which time all liquor, [and] beverages, and specialty beverages shall either be removed from the area open to the public or locked and unaccessible to persons other than employees approved by the commission. Any licensee of a ballroom may so open the facilities upon notice in writing to the commission at least 5 business days prior to the function. If the facility is open for special functions at which time liquor, [and] beverages, and specialty beverages are not available to patrons, the commission shall not impose any conditions as to who may attend such functions or whether or not live entertainment is provided so long as local fire and building code requirements are met.



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(3) Any licensee of a ballroom may receive a supplemental license from the commission to close all or part of the ballroom facilities to the public for special social functions at which only bona fide members of a social club or organization or persons who have been invited to a family social function shall be admitted. The commission shall issue such a license to allow the licensee to sell liquor, [-or] beverages, or specialty beverages to persons attending such social functions if the licensee applies for one at least 5 business days prior to the function and pays a fee for each such function. If only part of the ballroom facilities are used for such a function, the licensee may operate the remaining facilities under his license issued under subparagraph (c)(1).

- (d) [Repealed.]
- (e) Caterers, On- and Off-Site.
- (1)(A) The commission may issue a cocktail lounge license to any caterer with on-site permanent kitchen facilities and permanent dining facilities capable of seating 100 persons or more. Such license shall allow the licensee to serve liquor, [and] beverages, and specialty beverages with or without meals to members of a private party in any room of such on-site catering facility designated by the commission. For the purposes of this paragraph, persons under the age of 18 shall be allowed in rooms where beverages, specialty beverages, and liquor are served without a parent or guardian present. Such lounge license may allow the licensee to serve liquor, [and] beverages, and specialty beverages on the premises of any public building approved by the commission. Licenses shall be granted only to such caterers as the commission, at its discretion, shall approve and then only to such caterers as shall show the commission on forms and under rules adopted by the commission that at least 50 percent of their combined food and liquor and beverage sales shall fall within the category of food. Caterers with annual food sales of \$100,000 or more shall be exempt from the 50 percent requirement. Caterers shall notify the commission not less than 5 days in advance of a function specifying date and time of the scheduled function. Notwithstanding any other provision of law, a caterer, with the approval of the commission, may subcontract for the cooking, preparing or serving of food pursuant to the caterer's liquor license. The commission shall adopt rules in accordance with RSA 541-A to carry out the



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provisions of this subparagraph. New premises or locations shall be approved by the commission 10 days before the scheduled events.

- (B) The commission may issue a supplemental license to an on-site caterer licensed to sell beverages, *specialty beverages*, and liquor with food to the public on dates approved by the commission when no private function is being catered under RSA 178:22, V(e)(1)(A), unless such premises which have been approved by the commission are capable of being physically separated between public and private functions. The supplemental license may be issued to the applicant for 18, 36, or 52 events per license year. The fee charged for such license shall be \$5 for 18, 36, or 52 events. A person issued a supplemental license under this subparagraph shall meet all requirements of RSA 178:22, I-IV. The caterer shall request the commission's approval at least 5 days before any scheduled event to be serviced by a supplemental license. The commission may suspend or revoke the caterer's supplemental license without affecting any other license issued for the premises.
- (2) The commission may issue a license to any person operating an off-site catering service or any person holding a full service restaurant license, hotel full service restaurant, brew pub, or convention center license to conduct an off-site catering business on the premises of other licensed establishments or the premises of any public building approved by the commission. For the purposes of this paragraph, persons under the age of 18 shall be allowed in rooms where liquor, [and] beverages, and specialty beverages are sold. A license issued under the provisions of this paragraph shall allow the licensee to serve liquor, [and] beverages, and specialty beverages with or without meals to members of a private party contracting for such service. Such caterers shall notify the commission not less than 5 days in advance of a function specifying the date, time, and location of the scheduled function. New premises and locations shall be approved by the commission at least 10 days before the scheduled event.
- (3) For the purposes of subparagraph (e):
- (A) "Private group" means an assembly of persons gathered for a designated social or business occasion, present by invitation or reservation and shall in no way be construed to mean the general public.



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(B) "Public building" means any building maintained and available for any person, group, or organization, which may include retail business establishments, when they are not open to the public; licensed premises, provided there is a physical, unmovable barrier between the licensed business and the catered area; and tents, gazebos, or other defined outdoor areas, provided 2 separate toilet facilities are located in the immediate vicinity. A public building shall not be construed to mean a private residence.

- (4) Premises restrictions:
- (A) The holder of a caterer's on- or off-site license shall ensure, at every function, that all state laws are complied with and that any entertainment provided shall be approved by the commission.
- (B) On-site caterers and off-site caterers shall file, between January 15 and February 15 of each year, a certificate form with the commission covering food and beverage, *specialty beverage*, and liquor sales for the previous calendar year. All catered sales shall be noted on the certificate form which shall be furnished by the commission.
- (f) College Clubs. A college or university club may be entitled to a license for the sale of beverages, *specialty beverages*, and liquor to members and guests in a room or rooms approved by the commission.
- (g) Military Club. An operator or designee of a military club may be entitled to a license for the sale of liquor, [and] beverages, and specialty beverages to members and guests in a room or rooms approved by the commission.
- (h) Veterans' Clubs, Private Clubs, and Social Clubs.
- (1) The commission may issue cocktail lounge licenses to private, social, or veterans' clubs incorporated under the laws of the state and which may be affiliated with any national fraternal organization, for the sale of liquor, [and] beverages, and specialty beverages to members and guests in a room or rooms approved by the commission. A licensee under this subparagraph shall sell for convenience and for a reasonable profit to be determined by the commission. Each licensee shall make a sworn report to the commission for each month on or before the fifteenth of the following month, in such form as the commission may require, showing the income from liquor and beverages sold and the expenses properly chargeable to the business for the month. The cost of the cocktail lounge license shall be



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considered an expense chargeable to the business. Veterans clubs which qualify as "club-veterans' under RSA 175:1, XXII shall be exempt from the requirements of subparagraphs V(h)(6)-(8), V(h)(9)(B)-(C), and V(h)(10)-(12).(2) No person under the age of 18 shall be in any room where liquor, [and] beverages, and specialty beverages are sold, except persons under the age of 18 shall be allowed in rentable rooms approved by the commission when beverages, specialty beverages, and liquor are served without a parent or guardian present at such times the club is using a supplemental license.

- (3) The commission may issue to a club licensed under subparagraph (h)(1) a supplemental license to set up a separate bar facility to serve liquor, [and] beverages, and specialty beverages to private groups in a rental hall approved by the commission. This supplemental license shall allow the club to hold up to 18 events, 36 events, or 52 events for the fees established in RSA 178:29, I. The club shall be responsible for compliance with this title and any rules adopted under it. The club shall notify the commission at least 5 days before any scheduled event which shall be serviced by such bar facility. The commission may suspend the use of any bar facility without affecting the status of any other license in effect on the club premises.
- (4) Clubs may allow private groups to bring in or sell their own liquor, [and] beverages, *and specialty beverages* in approved rental facilities provided there is a complete separation between the club area and the rental area.
- (5) Every member of a club, affiliated with a national fraternal organization and licensed under subparagraph (h), shall be entitled to canteen privileges at every club with which his or her club is affiliated in this state. Such canteen privileges shall include the right to bring guests to affiliated clubs, providing the member has on his or her person, and displays upon request, a current membership card of the national fraternal organization. A veterans' club licensed under subparagraph V(h) is authorized to permit, if approved by a majority of the members, the members of one or more nationally-recognized veterans nonprofit groups to exercise canteen privileges as if the members of the approved group or groups are members of the club.

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(6) No licensee corporation shall enter into a contract with any person to provide services, equipment, or any other thing of value if that person is also a director, officer, or employee of the licensee corporation.

- (7) No licensee corporation shall permit a person, either elected or appointed, to hold multiple corporate offices or permit an officer to hold the position of director.
- (8) No licensee corporation shall permit a director or officer of the club to be an employee of the licensee corporation.
- (9) All clubs shall annually provide written documentation to the commission which shall include:
- (A) A certificate from the secretary of state which shall demonstrate that the nonprofit corporation holding a license under this subparagraph is registered and in good standing with the secretary of state;
- (B) Minutes of all membership meetings, meetings held by officers and directors, and any special meetings;
- (C) Copies of all contracts entered into between the licensee corporation and any director, officer, or manager of the licensee corporation, as well as any provider of services to the club.
- (10) For the purposes of subparagraph (h):
- (A) "Minutes" means detailed written memoranda of a transaction, proceedings, or club operations.
- (B) "Contract" means any oral or written agreement between the licensee corporation and any other person, to do or not do a particular thing. The definition of a contract for the purposes of this section shall not be limited by its enforceability.
- (11) No director, officer, or employee of a licensee corporation shall engage in any undertaking that shall place the personal interests of a person ahead of the interests of the membership of the club.
- (12) Violations of subparagraph (11) of this subparagraph shall be investigated by the enforcement division of the liquor commission and directed to the department of justice for examination of issues unrelated to this title.
- (i) Convention Centers. The commission may issue a cocktail lounge license to any convention center. Such license shall allow the licensee to sell liquor, [and] beverages, and specialty beverages in rooms approved by the



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commission, to persons within the convention center. Liquor, [and] beverages, and specialty beverages shall be sold with meals in the public dining rooms. Persons under 18 years of age shall be accompanied by a parent, legal guardian, or adult spouse when in convention rooms where liquor, [or] beverages, or specialty beverages are being sold. Patrons of any age may be allowed in the dining rooms.

- (j) [Repealed.]
- (k) Hotel. The commission may issue a cocktail lounge license to any hotel holding a hotel full service restaurant license issued under RSA 178:21, II(b)(1) to serve liquor and beverages in any room of a hotel designated by the commission. No cocktail lounge shall be operated on days that the dining room is closed. No cocktail lounge shall operate before the dining room opens for meals, except if breakfast and noon meals are not offered,
- the lounge may operate 2 hours before the dining room opens for the evening meal. The commission may extend the cocktail lounge license to include the use of a dining area in the restaurant of the hotel after such area has been closed for serving meals, but not before 9:00 p.m., as an overflow area for the cocktail lounge when the lounge is filled to capacity. In the overflow area, liquor, [and] beverages, and specialty beverages need not be served with meals. The commission may grant, regulate, suspend, or revoke a cocktail lounge license without affecting any other license granted to a hotel.
- (l) One Day Licenses for Voluntary Nonprofit Organizations.
- (1) Notwithstanding the provisions of RSA 178:2, I, the commission may issue a limited license to any responsible individual representing a voluntary nonprofit group or organization approved by the commission. Such license shall authorize the licensee to sell, on premises approved by the commission, beverages, *specialty beverages*, and liquor on the approved premises.
- (2) No license shall be issued under subparagraph (l)(1) unless the organization's representative obtains:
- (A) Official approval of the chief of the local fire department as to the safety of the premises.
- (B) Official approval of the local health department concerning sanitary accommodations.



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(C) Official approval of the chief of police as to accessibility of the premises. Written statements from such officials shall accompany the application for the license. Such application shall be filed with the commission 15 days before the date on which the license is needed.

- (3) No person under the age of 18 shall be allowed in those areas where liquor and beverages are served, unless accompanied by a parent, legal guardian, or adult spouse. The selectmen of the town in which such licenses are held may, at their discretion, assign police officers to the premises where liquor, [or] beverages, or specialty beverages are being served.
- (4) No license shall be issued under subparagraph (l)(1) for premises holding other licenses issued by the commission except rental facilities on licensed club premises approved by the commission. Notwithstanding any other provision of law, the commission or its investigators may suspend without warning any license issued under subparagraph (l)(1) if, in their opinion, such sale of liquor, [and] beverages, specialty beverages is contrary to the public interest.
- (m) Performing Arts Facility. The commission may issue a cocktail lounge license to any nonprofit performing arts facility which seats more than 50 persons. The commission shall determine by rule whether a facility is a nonprofit performing arts facility. The cocktail lounge license shall allow the licensee to sell liquor, [and] beverages, and specialty beverages to patrons in any rooms designated by the commission.
- (n) Race Tracks.
- (1) The commission may issue to any operator of a race track or designee a cocktail lounge license which shall allow the licensee to serve liquor, [and] beverages, and specialty beverages to patrons in such rooms or areas as are located within the confines of the track and are approved by the commission and only during the hours set by the commission. Liquor, [and] beverages, and specialty beverages sold by a licensee under this subparagraph need not be consumed with meals, provided that suitable food services, approved by the commission, are available for patrons. A licensee under this subparagraph may sell beverages, specialty beverages, and liquor on dates other than those on which races take place.
- (2) Notwithstanding the requirements of RSA 178:22, II and V, a commercial motor vehicle racetrack facility with a paved course of at least



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1/4 mile may elect to have an exception to the cocktail lounge definition of RSA 175:1, XXIII and requirements under RSA 178:22, V(n)(1) to sell beverages and specialty beverages only, from commission-approved beverage service facilities located in areas approved by the commission within the commercial motor vehicle racetrack facility and allow patrons to carry beverages and specialty beverages, not exceeding 2 containers at any time as approved by the commissioner, to approved grandstand seating, other seating accommodations, or areas approved for alcoholic beverage consumption by the commission under such rules as the commission may adopt pursuant to RSA 541-A.

- (3) Notwithstanding paragraph III, a commercial motor vehicle racetrack licensed under this section may allow patrons to carry beverages *and specialty beverages* into the facility for on-premises consumption with approval of the commission.
- (o) [Repealed.]
- (p) Rail Cars. The commission may issue a cocktail lounge license to any railroad or rail car corporation, or their designees, operating rail cars authorizing the licensee to sell liquor, [and] beverages, and specialty beverages in such cars to be consumed in such cars. The license shall be good throughout the state in both license and non-license territory, and only one license shall be required for all cars operated on the same line by the same owner.
- (q) Full Service Restaurants. The commission may issue a cocktail lounge license to any full service restaurant holding a full service restaurant license under RSA 178:21, II(a)(1), to serve liquor, [and] beverages, and specialty beverages in any room of the restaurant designated by the commission. The cocktail lounge shall be operated in conjunction with the dining rooms. No cocktail lounge shall be operated on days that the dining room is closed. No cocktail lounge shall operate before the dining room opens for meals, except if breakfast and noon meals are not offered, the cocktail lounge may operate 3 hours before the dining room opens for the evening meals. Liquor, [and] beverages, and specialty beverages served in such room need not be consumed with meals. The commission may extend the cocktail lounge license to include the use of a dining area in the restaurant, after such area has been closed for serving meals, but not before



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9:00 p.m., as an overflow area for the cocktail lounge when the lounge is filled to capacity. In the overflow area, liquor, [and] beverages, and specialty beverages need not be served with meals. Licenses shall be granted only to such restaurants as the commission, at its discretion, shall approve and then only to such restaurants as shall demonstrate to the commission, in the manner prescribed by the commission, that at least 50 percent of the combined restaurant and lounge and lounge sales shall fall within the category of food. Restaurants with annual food sales of at least \$75,000 shall be exempt from the 50 percent requirement, and the commission shall prorate the annual food sale requirements for seasonal restaurants. The commission may grant, regulate, suspend, or revoke a cocktail lounge license without affecting any other license granted to such restaurant.

- (r) [Repealed.]
- (s) Vessels.
- (1)(A) Watercraft. The commission may issue a cocktail lounge license to any owner or operator of a passenger vessel operating out of any port of the state. Such license shall allow the sale of liquor, [and] beverage, and specialty beverages in any area of the vessel approved by the commission. (B) Any licensee may open its vessel to school groups, youth organizations, or other gatherings of persons under the age of 18 years, for functions of a limited duration during which time all liquor, [and] beverages, and specialty beverages shall not be made available to patrons and during which time all liquor, [and] beverages, and specialty beverages shall either be removed from the vessel or be locked and unaccessible to persons other than employees approved by the commission. Any licensee who opens its vessel to groups under age 18 shall give written notice to the commission of such function at least 5 business days prior to the function. The provisions of RSA 178:22, II shall not apply during these functions.
- (2) [Repealed.]
- (t) [Repealed.]
- (u) Sports/Entertainment Complex.
- (1) The commission may issue a cocktail lounge license to the owner of a sports/entertainment complex, or any operator or designee contracting with the owner of the complex. Such license shall allow the sale or service of

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liquor, [and] beverage, and specialty beverages in any clearly defined areas approved by the commission. Liquor, [and beverage] beverages, and specialty beverages shall be sold only at such times as a fee is charged for admission to an event at the sports/entertainment complex. Liquor and beverage shall not be sold or consumed in stadium or skybox seating at any interscholastic event. The provisions of RSA 178:22, II shall not apply to this license.

- (2) The commission may issue to any sports/entertainment complex licensed under subparagraph (u)(1) a supplemental license to set up a separate bar facility to serve liquor, [and] beverages, and specialty beverages to private groups in any area approved by the commission. The supplemental license shall allow the sports/entertainment complex to hold up to 9 events, 18 events, 36 events, and 52 events for the fees established in RSA 178:29, I. The sports/entertainment complex shall be responsible for compliance with this title and any rules adopted under it. The sports/entertainment complex shall notify the commission at least 5 days before any scheduled event which shall be serviced by such bar facility. The commission may suspend the use of any bar facility without affecting the status of any license in effect on the sports/entertainment complex premises.
- (v) Sports Recreation Facility. The commission may issue a cocktail lounge license to any operator of a sport recreation facility or its designee. The license shall allow the licensee to serve liquor, [and] beverages, and specialty beverages to patrons in designated drinking areas as approved by the commission.