

Senate Commerce Committee

Aaron Jones 271-2609

HB 276, establishing a liquor license where beverages, wine, and liquor can be sold without food.

Hearing Date: April 29, 2025

Time Opened: 10:44 a.m.

Time Closed: 10:57 a.m.

Members of the Committee Present: Senators Innis, Ricciardi, Murphy, McGough, Fenton and Reardon

Members of the Committee Absent : None

Bill Analysis: This bill establishes a tavern license allowing the sale of beverages, wine, and liquor without the sale of food.

Sponsors:

Rep. Hemingway

Who supports the bill: Representative Judy Aron, Timothy Finney, Curtis Howland, Bill Alleman, Aubrey Freedman

Who opposes the bill: Elizabeth Sargent (NH Association of Chiefs of Police), Kate Frey (New Futures), Henry Veilleux (NHLRA), Sarah McCarthy

Who is neutral on the bill: Mark Armaganian (NHLC)

Summary of testimony presented in support:

Senator Keith Murphy, on behalf of Representative Wayne Hemingway

- This bill would establish a liquor license where beverages, wine, and liquor could be sold without food.

Summary of testimony presented in opposition:

Henry Veilleux, on behalf of the New Hampshire Lodging and Restaurant Association

- To date, the law has been that food must be served.
- Many establishments have made large investments in their kitchens; however, most make their money from the service of alcohol, not food.

- Under this bill, a lot of places would pop up since there would be a license fee of \$6,800. Mr. Veilleux said that amount could be made in a week.
- **Senator Murphy** said he has a restaurant license, and they are required to sell \$75,000 worth of food. From his understanding, some operators hit that target by selling frozen pizzas and chips. He asked if a licensee had ever lost their license if they did not meet the annual target.
 - **Mr. Veilleux** said the Commission could answer this, but most licensees did well over the minimum. There is a definition, so someone could not just stick out a bag of chips.

Neutral Information Presented:

Mark Armaganian, Director of Liquor Enforcement and Licensing, and Matt Culver, Lieutenant, New Hampshire Liquor Commission

- **Senator Innis** said there was a food requirement to help soak up alcohol a little, yet cigar bars could serve without food.
 - **Mr. Armaganian** said his analysis was correct. The ingestion of food helped to slow down the absorption of alcohol. On average, the body burns off .015 an hour. To help licensees, they create time and distance between drinks. The Commission would like establishments to have food. There have been some licensees who have not made their mark, such as cigar bars. These licenses were not meant to be a workaround. The \$75,000 threshold was for establishments that did well. There is also a 50/50 alcohol to food ratio threshold. If this license type came to fruition, it would create a wave of establishments switching their license types. In terms of compliance, it would create a heavy lift for the Division. Representative Hunt created the new fee; however, it was slightly off. It was supposed to be 5 times the cocktail lounge license, which would be \$6,400.
- **Senator Innis** asked if he could go into a pub, sit at the bar, and order a drink without ordering food.
 - **Mr. Armaganian** replied yes.
- **Senator Innis** asked if this could lead to a restriction on the number of licenses since there would be a lower cost of entry.
 - **Mr. Armaganian** said absolutely. This has been a conversation, but it did not make it out of the House.
- **Senator Innis** said food served as a cap on the number, and if the cap were removed, there could be 6 bars in the Town of Bradford.
 - **Mr. Armaganian** said it was an opt in.
- **Senator Innis** asked if towns could vote on it.
 - **Mr. Armaganian** said yes.
- **Senator Innis** asked if they saw what he was saying.

- **Mr. Armaganian** said he did.
- **Lieutenant Culver** reiterated it was opt in. Towns would need to vote on allowing a tavern license through a warrant article. If it was voted on, they would be eligible to apply for the license. Historically, limiting the number of licenses has not been done.
- **Senator Murphy** asked if this license would replace the cocktail license because he did not see cocktail lounges listed in the fee structure.
 - **Lieutenant Culver** said it would not replace the license. The fee would be \$1,200.
- **Senator Fenton** asked who could serve alcohol without food besides cigar bars.
 - **Lieutenant Culver** said several license types could. Generally, a cocktail lounge can serve alcohol without the benefit of food. Restaurants must maintain their kitchen until 9:00PM, then they can serve without food. This is a common situation in social clubs, veteran clubs, and military clubs. While they can serve alcohol with no food, their licenses are limited in certain ways. They must be a private organization, not open to the public, their patronage is restricted to their membership and their guests, and their doors are locked.
- **Senator Fenton** asked if the Commission was aware of issues in Massachusetts because they allow establishments to serve alcohol without food.
 - **Mr. Armaganian** said he was unsure of any repercussions. Most eateries in Boston have this concept. Often, individuals go to dinner and have a glass of wine with it. If a test sample were done, it would be all over the place depending on geographic area.

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Date Hearing Report completed: May 2, 2025