

Senate Commerce Committee

Declan Donahue 271-3324

SB 79-FN, enabling the use of self-pour automated systems by liquor commission licensees.

Hearing Date: February 4, 2025

Time Opened: 9:59 a.m. **Time Closed:** 10:14 a.m.

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

Members of the Committee Absent: Senator Ricciardi

Bill Analysis: This bill defines and enables the use of self-pour automated systems by holders of on-premises licenses.

Sponsors:

Sen. Lang	Sen. Murphy	Sen. Gannon
Sen. Innis	Sen. McGough	Sen. Pearl
Rep. Osborne	Rep. Moffett	Rep. Berry

Who supports the bill: Senator Tim Lang, Mike Somers (NH Lodging and Restaurant Association), Scott Schair (NH Beer Distributors Association)

Who is neutral on the bill: Mark Armagianian and Danielle Ellston (NH Liquor Commission)

Summary of testimony presented in support:

Senator Lang

Senator Lang introduced the bill, saying it came out of his experience with an RFID wristband-enabled self-pour system while on a trip to Wisconsin. He noted the staff was still present and periodically checking in on the safety of customers. Senator Lanf had to reactivate his wristband to get more liquor after a certain volume, which triggered a check-in with staff. The staff was still tipped, as they were connected to his table and his order. With the hospitality industry struggling to hire staff, this allows them to still operate even if they do not have the staffing levels to meet customer demand. Page 3, Line 5 is included in the bill due to liability concerns.

Senator Murphy asked if this is model legislation. Senator Lang indicated legislation from Connecticut and Wisconsin was used to develop a proposal that would fit New Hampshire.

Senator Reardon asked about limits on the number of ounces served. How can a server determine who the alcohol procured for? Senator Lang described getting alcohol for his entire table when using one of these systems. It may allow for fraud, and the record would only show the number of ounces bought, not for whom. Senator Lang stated this happens now when someone orders alcohol for their table. Senator Reardon is concerned such actions would take servers' eyes off of the table by not having to actively serve them. Senator Lang reminded committee members there will always be bad actors. Servers will still have to check with patrons when RFIDs are re-enabled.

Senator McGough asked if this method would allow for a wider variety of liquor options without the burden of adding staff to manage those options to the point of unfeasibility. Senator Lang confirmed it would allow for greater scaling without the need to scale the number of staff to a similar extent. Senator McGough asked if other states have seen problems like those described by Senator Reardon. Senator Lang indicated he had reached out to lawmakers in those states, and they reported no uptick in negative externalities from allowing automated self-pour.

Neutral Information Presented:

Chief Mark Armaganian and Deputy Director Danielle Ellston, NH Liquor Commission

Chief Armaganian stated that self-pour automated systems are already allowed in rules, but that this would codify the rules into law. The problems raised by Senator Reardon still exist, but the deterrent is the threat of investigation. More often, these investigations exonerate businesses from allegations of overserving, and their group of licensees have been very responsible. The goal is to regulate to the level of safe communities so licensees can still make money.

Senator Murphy asked how many licensees are operating automated safe self-pour in this state. Chief Armaganian said he believes 3. Senator Murphy asked what chapter the rules are in, to which Deputy Director Ellston replied RSA 179:27.

Senator Fenton asked if Page 1, Line 22 would mandate 24/7 video monitoring of the automated pour system, Deputy Director Ellston stated it would. He then wondered if such monitoring could be a barrier to implementation if a small business could not afford same.