

AGENCY

The **New Hampshire Liquor Commission (NHLC)** is a state agency that regulates the manufacture, importation, warehousing, and sale of alcoholic beverages. The NHLC is a wholesaler and retailer for all wine and spirits. It is sole retailer of spirits in New Hampshire. The NHLC also licenses and regulates sales by on-premise and off-premise establishments, carriers, direct shippers, liquor wine representatives, and beverage vendors. It also enforces liquor laws.



WET and DRY COUNTIES

State law allows local jurisdictions to hold public referendums and/or approve local laws or regulations on alcohol sales.

All counties in the state are wet. The town of Ellsworth remains dry.

Population 21 and over
(Estimate) (2014)

1,024,053

NET REVENUE

With no sales or income tax, New Hampshire relies heavily on NHLC to deliver critical revenues to the state.

NH distributes its net revenue into one category:

- General Fund (100%)

(Includes: Education, Health & Social Services, Transportation, and National Resource Protection)



Figures are from 2016

HISTORY

NHLC was established in 1934. In 2008, it was reorganized into three divisions: Division of Enforcement, Licensing and Education; Division of Marketing and Sales; and Division of Administration. The NHLC is comprised of a Chairman and a Deputy Commissioner.

In fiscal year 2019, NHLC set an all-time sales record of \$723.6 million in gross sales, a \$15.9 million increase over the previous fiscal year. Total net liquor profits reached \$139.6 million, of which \$131.2 million was transferred to New Hampshire's General Fund, which is used to fund programs including education, health and social services, transportation and natural resource protection. More than \$8.4 million was transferred to New Hampshire's Alcohol Abuse Prevention & Treatment Fund, which utilizes a percentage of NHLC profits to fund addiction treatment and prevention programs.

ENFORCEMENT

NHLC's Division of Enforcement and Licensing is charged with enforcing the alcoholic beverage control (ABC) laws and administrative rules in the state.

The Division also functions as NHLC's internal security arm including the prevention, investigation and prosecution of internal and external theft, investigation of crimes and accidents occurring on property owned or occupied by NHLC, and investigation of such other matters as may be assigned by NHLC.

\$139,600,000

FY 2019 Net Revenue



More than \$3 billion in net profits has been raised since the first store opened in 1934.

DISTRIBUTION

The Division of Marketing, Merchandising & Warehousing oversees the NHLC's functions related to marketing, merchandising, purchasing, store operations, warehousing and distribution.

The NHLC controls the distribution of alcoholic beverages in the state through retail and wholesale. The NHLC operates 77 retail stores located throughout the state. The NHLC maintains a warehouse at its headquarters in Concord, NH as well as a bailment warehouse in the neighboring town of Bow. The NHLC ships from these warehouses to its licensees on a wholesale basis.

Does jurisdiction allow direct shipping of wine?



Estimated tax per standard drink:

SPIRITS: -\$0.020

WINE: \$0.046

BEER: \$0.028

OUTLETS AND GROCERY STORES

New Hampshire controls the distribution of spirits and wine at wholesale and retail levels. It has 77 state operated NH Liquor & Wine Outlets, three agency stores that sell spirits and wine, and 1,427 off-premise licensees that sell wine.

- New Hampshire does not have policies that regulate the density of off-premise outlets
- Jurisdiction does not allow the sale of spirituous liquor in grocery or convenience stores
- Servers must be 18 years old and older to serve beer at on-premise outlets, and employees at off-premise outlets must be 15 years old to sell beer
- The sale of beer, table wines and fortified wines are permitted in grocery stores
- Sunday sales are allowed
- Keg registration is required
- For every 100,000 residents ages 21 and older, there are 8.0 spirits outlets
- Beverage service training is mandatory and voluntary in the state depending on the program

NEW HAMPSHIRE STATE LIQUOR COMMISSION IN ACTION



Since 2012, NHLC has constructed new NH Liquor and Wine Outlet locations or renovated existing outlets in 32 communities throughout the state. These state-of-the-art facilities offer an improved shopping environment and expanded product selection for NHLC's 12 million annual customers. NHLC's efforts resulted in a 2018 *Market Watch* Retail Leader Award for Chairman Joseph Mollica and *Beverage Dynamics* naming NHLC one of its Top 100 Retailers of 2019.

NHLC has received national recognition for its award-winning "Live Free & Host Responsibility" program in collaboration with Brown-Forman and Jack Daniel's Tennessee Whiskey. The educational effort launched in 2015, featuring a web page (www.liquorandwineoutlets.com/responsibility) with tips for responsible serving and hosting videos with cocktail and mocktail recipes emphasizing responsible consumption, downloadable food and drink recipes, resource guides for New Hampshire lounge and restaurant owners, and advice for consumers.

DEFINITIONS

Control systems -- jurisdictions that directly control the distribution and sale of beverage alcohol in their borders.

Three-tier system -- the method of alcohol distribution developed after Prohibition in the United States. Producers/manufacturers (first tier) can sell products only to wholesalers/distributors (second tier) who then sell to retailers (third tier).

Revenue Per Capita -- revenue per person.

Wet and dry counties -- Wet jurisdictions are those that permit the sale of spirits, wine, or beer for on-premise and off-premise consumption. Dry jurisdictions prohibit some or all alcohol sales, whether on- or off-premise.

Sources: 2016 Survey Database, State Alcohol Tax Rates (July 2016), Educational Awards Program Reports for 2014-2015, New Hampshire State Liquor Commission, The Beverage Information Group's 2015 Fact Book, The Beverage Information Group 2016, Alcohol Policy Information System (APIS).

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