



Legislative Update
For the week ending February 22, 2008

SCHOOL FUNDING CONSTITUTIONAL AMENDMENT: The Senate voted 19-5 to pass a bi-partisan constitutional amendment to allow the state to target school funding. Republican Leader Ted Gatsas and Democratic Senate President Sylvia Larsen are co-sponsoring [CACR 34](#). NHLRA supports a targeted aid constitutional amendment as a means to resolve the school funding dilemma without having to increase business taxes. The bill now goes to the House.

EXPANDED GAMBLING: On Tuesday, March 4 at 8:45 am, the Senate Ways & Means Committee will continue the hearing on two proposals to expand gambling in New Hampshire. [SB 330](#) would allow video slot machines at the State's racetracks in Salem, Belmont, Hinsdale, and Seabrook. Meanwhile, [SB 306](#) would allow video slots at horse racetracks; hotels with at least 140 rentable rooms in Coos County; and at grand hotels with at least 195 rentable rooms and an 18-hole golf course in Coos County.

SMOKING IN RESTAURANTS AND BARS: The House Commerce Committee has voted 9-6 to recommend that [HB 1457](#) pass with amendment. As amended, the bill would allow smoking in cigar bars where more than 60 percent of total business income is derived from cigar-related products. A cigar bar is being defined as "an establishment that occupies exclusively an enclosed indoor space that is engaged in the retail sale of cigar products for consumption on the premises, or other legally acceptable places, and derives revenue from the sale of food, alcohol, and other beverages for consumption on the premises, prohibits entry to a person under the age of 18, and holds a tobacco retailers license." The bill also requires employers to have all employees working in cigar bars to sign a form which states the potential dangers of inhaling second-hand smoke and that the employee chooses to work in such cigar bar. Such forms are to be kept on file with the employee's records. Meanwhile, The Committee voted 14-0 to recommend killing a similar bill - [HB 1421](#). This bill would allow smoking in restaurants where more than 50 percent of income is derived from the sale of cigars. Both bills are slated to be voted on by the full House on March 5.

ADVERTISING HAPPY HOURS: The House Commerce Committee has voted 14-4 to recommend passing [HB 1197](#). The bill would eliminate the current restrictions on advertising "happy hours." Under current law, no liquor licensee can run advertising that references a "happy hour." The licensee may, however, post a happy hour schedule within the premises, not in any view of the public way. This bill would enable liquor licensees to advertise happy hours in any manner they

deem appropriate.

LIQUOR LICENSES: The House Commerce Committee has voted 14-1 to recommend passing [HB 1177](#). The bill would eliminate the prohibition on liquor and wine manufacturers, liquor and wine vendors, and liquor and wine representatives having an interest in the business of a holder of an on-premise liquor license. The full House will vote on March 5.

ELIMINATING "AT-WILL" EMPLOYMENT: The House Labor Committee has voted 14-0 to recommend killing [HB 1515](#), which would prohibit an employer from terminating an employee without just cause. Under the bill, within 30 days after the termination, the employer would be required to file with the NH Department of Employment Security a statement explaining the cause for termination. Failure to file such a report would result in a \$2500 fine. In addition, an employer who terminates an employee without just cause would be fined \$2000. The full House will vote on the bill on March 5.

TAVERN LICENSE: On Tuesday, March 4 at 12:30 a subcommittee of the House Ways & Means Committee will discuss [HB 432](#), which would establish a new tavern license. This new license would not allow anyone under the age of 21 in the establishment. It would not require the sale of food. Any establishment with a lounge to restaurant capacity ratio of 3 to 1 would be required to obtain a tavern license. No one under the age of 21 could be employed. Proof of at least \$300,000 in liability insurance would be required. License fees would be \$12,000 for an establishment capable of seating less than 50 people; and \$24,000 for establishments that could seat 50 or more people. Full-service restaurant and cocktail lounge licenses would be tightened up by increasing the annual food sale requirements from \$75,000 to \$150,000.

PROHIBITING THE START OF SCHOOL UNTIL AFTER LABOR DAY: The House Education Committee has voted 12-0 to recommend that [HB 1489](#) be studied further. The bill would prohibit the start of public school until after Labor Day. The full House will vote on March 5.

3% MEALS & ROOMS TAX REIMBURSEMENT: The House Ways & Means Committee has voted 12-3 to recommend that the House kill [HB 1369](#), which would reduce the percentage amount our industry may retain as compensation for collecting the meals and rooms tax from 3% to 1.5%, up to a maximum of \$100 per month. Thanks to Nancy Henderson of the Sunset Hill House for doing an excellent job at the public hearing. The full House will vote on the bill on March 5.

SINGLE LIQUOR COMMISSIONER: The House Executive Departments & Administration Committee has voted 10-5 to recommend that [HB 1552](#) be studied further. The bill would replace the 3-member Liquor Commission with a single Liquor Commissioner. The full House will vote on the bill on March 5. If they agree to send the bill to further study, it will not come back for a vote this year.

MUSICIANS CONSUMING BEVERAGES OR LIQUOR WHILE PERFORMING: The House Labor Committee has voted unanimously to recommend passing [HB 1242](#) with amendment. The bill attempts to clarify that musicians are not to be considered "employees" of an establishment and therefore not prohibited from consuming liquor while working. The bill makes it clear that as long

as the musician does not meet the definition of employee as defined in RSA 275:4, II, they are not prohibited from consuming alcohol while working. The full House will vote on the bill on March.

For more information on these or other governmental matters, feel free to contact NHLRA's lobbyist, [Henry Veilleux](#) of Sheehan Phinney Capitol Group at 603-228-2370. You may also visit website of the [New Hampshire Lodging & Restaurant Association](#) or contact [Michelline Dufort](#) at 603-228-9585.