

MINUTES OF THE MEETING  
BUSINESS & INDUSTRY COMMITTEE  
MONTANA STATE SENATE

February 16, 1979

The meeting of the Business and Industry Committee was called to order by Chairman Frank Hazelbaker on the above date in Room 404 of the State Capitol Building at 10:00 a.m.

ROLL CALL: All members were present with the exception of Senator Peterson who was excused.

SENATE BILL 434: This bill is an act to restrict the application of state building codes to public places only, regardless of location. "Public place" is defined in 50-60-101 as "any place which a municipality or state maintains for the use of the public or a place where the public has the right to go and be."

Senator Ed Smith, sponsor of Senate Bill 434, further explained the bill to the Committee. Mr. Smith presented an amendment to SB 434. This amendment is attached.

PROPONENTS OF SENATE BILL 434: Mr. Chris Johansen, representing the Montana Grain Elevator Association, the Montana Council of Cooperatives, and Montana Farmers Union, stated they are in support of SB 434. Mr. Johansen presented a copy of a work order from the Department of Administration. This exhibit is attached.

Mr. Mike Young, from the Department of Administration, stated they neither support nor oppose the bill but he feels there is an ambiguity of the law. He stated this bill primarily affects the cities and towns.

OPPONENTS OF SENATE BILL 434: Mr. Joe Reeves, representing the city of Helena, stated that they are in opposition to the bill.

There was a question and answer period from the Committee.

Senator Smith stated that these inspections are very costly.

Senator Dover inquired as to the type of buildings that would be involved.

Mr. Young stated that only public buildings would be involved--not private dwellings.

The hearing on Senate Bill 434 was closed.

SENATE BILL 439: This bill requires the state, local governments, or school districts, when procuring the services of a construction manager, to advertise and let the contract to the lowest responsible

bidder. "Construction manager" is defined very broadly but the advertising and bidding requirements of the bill do not apply to architects, engineers, accountants, and attorneys in the performance of their traditional functions.

Senator Dover, sponsor of the bill, further explained the bill to the Committee.

PROPOONENTS OF SENATE BILL 439: Mr. Charles Chamberlain, representing Associated Builders & Contractors, Inc., Montana Chapter, spoke in support of SB 439. He stated that most construction management firms come from out of state. He told the Committee there needs to be a definition of what a construction manager is, and he stated they feel that public funds can be best utilized if there is bidding for a particular job.

Mr. Terry Bass, representing the Montana Contractors Association, stated they are not opposed to construction management. They are concerned with the techniques used in the selection of construction managers. Mr. Bass distributed booklets on construction management. This booklet is attached.

There were no opponents to SB 439.

There was a question and answer period from the Committee.

Senator Lowe explained the construction management process to the Committee. He stated that it is a fine tool for the construction job.

Chairman Hazelbaker closed the hearing on Senate Bill 439.

SENATE BILL 451: This bill allows the Department of Revenue to issue beer licenses and all-beverage licenses in excess of the respective quotas on finding, after hearing, that the issuance would serve the public convenience and necessity and that there is enough economic activity in the area to absorb the new license without significant harm to existing licenses. The quota exceeding licenses could not be mortgaged or pledged or moved to another location without department approval after another hearing.

The bill provides for a credit against the Montana individual income tax for a person who purchased a license after January 1, 1970, and still has the license on July 1, 1979. The credit is to be taken on the 1979 return but unused credit may be carried over into the 4 succeeding taxable years.

Senator Lowe, sponsor of SB 451, explained the bill to the Committee. He stated that SB 451 is another attempt to get the system back on a basis of need and necessity. Senator Lowe offered some amendments to the bill. These are attached.

Minutes of the Business and Mindustry Meeting  
February 16, 1978

Page 3

PROONENTS OF SENATE BILL 451: Mr. William Merrick, representing Gallatin Field Board and the Aeronautics Commission, Bozeman, Montana, stated the airport at Bozeman has been trying to get a liquor license and has not been able to obtain one. They are in support of Senate Bill 451.

Mr. Jeff Bost, representing Charlies Pizza, Billings, Montana, urged support of Senate Bill 451. He passed out several exhibits to the Committee and these are attached to the minutes.

OPPONENTS OF SENATE BILL 451: Mr. Don Larson, representing the Montana Tavern Association, stated they are in opposition to the bill. He stated this bill ignores the protection of the quota system. He stated that the quota system does not stifle free enterprise.

Mr. Maurie Druhl, representing DISCUS, Portland, Oregon, stated they are in opposition to SB 451. They feel "control" is the key word. They are concerned with the misuse of the abuse.

There were questions from the Committee.

Senator Lowe stated this bill keeps the quota system, and it leaves the control in the Department of Revenue.

In closing Senator Lowe stated that perhaps the liquor bills could be put in an Ad Hoc Committee between the two Houses.

The hearing on Senate Bill 451 was concluded.

DISPOSITION OF SENATE BILL 434: Senator Lowe moved that since SB 467 addresses a similar subject it be transferred to the Business & Industry Committee. The Committee agreed to this, and Senate Bill 467 will be heard in Business and Industry Committee Saturday, February 17, 1979.

No executive action was taken on Senate Bill 434.

SENATE BILL 439: Senator Lowe moved that Senate Bill 439 Do Not Pass. The Committee voted that SENATE BILL 439 DO NOT PASS. Senator Hager abstained from voting.

SENATE BILL 451: There were several amendments proposed by Senators Lowe and Blaylock. Senator Lowe moved the amendments to SB 451 be adopted. The amendments were unanimously adopted by the Committee.

Senator Regan moved that Senate Bill 451 Do Pass As Amended. Senator Lowe seconded the motion.

Minutes of the Business & Industry Meeting  
February 16, 1979  
Page 4

A Roll Call Vote was taken on the motion that Senate Bill 451  
Do Pass As Amended. The Committee voted 5-4 that SENATE BILL 451  
DO PASS AS AMENDED.

ADJOURN: There being no further business, the meeting was  
adjourned at 11:47 a.m.

  
\_\_\_\_\_  
Senator Frank Hazelbaker, Chairman

## ROLL CALL

BUSINESS &amp; INDUSTRY COMMITTEE

46TH LEGISLATIVE SESSION -- 1979

Date, Feb. 16

NAME	PRESENT	ABSENT	EXCUSED
Pat Goodover, Vice Chairman	✓		
Chet Blaylock	✓		
Harold Dover	✓		
Tom Hager	✓		
Allen Kolstad	✓		
Bill Lowe	✓		
John Mehrens	✓		
Bob Peterson			✓
Pat Regan	✓		
Frank Hazelbaker, Chairman	✓		

# STANDING COMMITTEE REPORT

February 16, 1979

MR. President:

We, your committee on Business and Industry,

having had under consideration Senate Bill No 439,

Respectfully report as follows: That Senate Bill No 439,

DO NOT PASS

PASS

## SENATE COMMITTEE BUSINESS &amp; INDUSTRY

Date February 16 1979 Bill No. 4-51 Time 11:45 A.M.

NAME	YES	NO
Pat M. Goodover, Vice Chairman		✓
Chet Blaylock	✓	
Harold Dover		✓
Tom Hager	✓	
Allen Kolstad		✓
Bill Lowe	✓	
John Mehrens		✓
Bob Peterson <i>(excused)</i>		
Pat Regan	✓	
Frank Hazelbaker, Chairman	✓	

Marjorie Nichols

Secretary

D. L. Miller

Chairman

Motion: Moved & Seconded HB 451 Be Pass as amended.  
(5-4 that HB 451 Be Pass as Amended.)

(include enough information on motion--put with yellow copy of committee report.)

# STANDING COMMITTEE REPORT

February 16, 1970

MR. President:

We, your committee on Business and Industry,

having had under consideration Senate Bill No. 451,

Respectfully report as follows: That Senate Bill No. 451, introduced bill, be amended as follows:

1. Page 5, line 20.

Following: "be"

Insert: "sold and may not be"

2. Page 9, line 6.

Following: "be"

Insert: "sold and may not be"

3. Page 9, line 12.

Following: "Section 3."

Strike: "Individual income tax"

Insert: "Tax"

4. Page 9, line 14.

Following: "person"

Insert: "or corporation"

DO-PASS

(Continued)

February 16, 1979

5. Page 9, line 14.

Following: "who"

Insert: "or which"

6. Page 9, line 18.

Following: "the"

Insert: "individual income"

Following: "tax"

Strike: "imposed under 15-30-103 and 15-30-104"

Insert: "or the corporation income or license tax, whichever is applicable"

7. Page 10, line 16.

Following: "person"

Insert: "or corporation"

8. Page 11, line 1.

Following: "his"

Insert: "or its"

9. Page 11, line 7.

Following: "the"

Strike: "next 4"

And, as so amended,  
DO PASS

P.Q.



STATE OF MONTANA  
DEPARTMENT OF ADMINISTRATION

BUILDING CODES DIVISION

1500 E. SIXTH AVENUE  
CAPITOL STATION  
HELENA, MONTANA 59601  
Telephone (406) 449-3033

THOMAS L. JUDGE  
GOVERNOR

February 15, 1979

Senator Ed Smith  
Senate Chambers  
State of Montana  
State Capitol Building  
Helena, Montana 59601

Re: Amendments to SB 434

Dear Senator Smith:

As per your request we offer the following amendments.

1. Section 1, Line 12, Page 1

Change to read as follows:

"parts Parts 1 through ~~4~~<sup>1</sup>/<sub>2</sub> apply only to "public places", as"

If you have any questions in regard to the amendment, please let us know.

Sincerely,

W. JAMES KEMBEL,  
P.E.  
Administrator

WJK:js

cc Dave Lewis  
Mike Young

NAME: Chris Johnson DATE: 3-16-19

ADDRESS: Local 766, IBEW

PHONE: 1157-8373

REPRESENTING WHOM? Minnesota Grain Electric Coop., Inc.  
Minnesota Project of Cooperation  
Minnesota Farm Bureau

APPEARING ON WHICH PROPOSAL: SB 434

DO YOU: SUPPORT? X AMEND? X OPPOSE? \_\_\_\_\_

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.



STATE OF MONTANA  
DEPARTMENT OF ADMINISTRATION  
BUILDING CODES DIVISION  
HELENA, MONTANA 59601

INSPECTION REPORT AND ORDER

OR

REINSPECTION REPORT AND ORDER

OWNER Farmers Grain Exchange

ADDRESS P.O. Box 990 CITY Helena ZIP 59501

TENANT OR USER \_\_\_\_\_ FORMER TENANT \_\_\_\_\_

ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_ ZIP \_\_\_\_\_

Elevator No.	TYPE	Make	Certificate No.	Capacity	Speed	Issue Cert.		Comments
						Yes	No	
12-100-1	G			300	20	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Issue Good Cert 6 months

- Violation 1. Hoistway shall be enclosed to not less than 6' high above the floor at each landing. UBC 511.2.5.  
 2. Each hoistway entrance shall be provided with gates not less than 66" high comming within 3" of the floor. The gates shall be equipped with lockable electric contacts or interlocks. UBC 511.2.13.  
 3. Perform 5 year full load safety test & post tag indicating date of test. UBC 511.3.  
 4. Provide machine with a coupling. May's relay. UBC 511.2.  
 5. An upper limit switch should be required in hoistways.  
 6. A proper pit or buffer pads should be provided.  
 7. Hoist cables should be re-inspected once a year.

CERTIFICATE WILL NOT BE ISSUED UNLESS PROPER SAFETY TESTS HAVE BEEN PERFORMED  
ORDERED PURSUANT TO 69-2111 R.C.M. 1947.

Addressee will note that they will be granted a hearing on this Order before the Building Codes Division Pursuant to Section 82-4209, R.C.M. 1947, if a hearing is requested of the Division within thirty (30) days of the date of this order. Address all hearing requests to:

Donald Smith  
Signature of Inspector

Building Codes Division  
1501 East 6th Avenue  
Capitol Station  
Helena, Montana 59601

Dee L. Ober  
Signature of Person Receiving Copy of Report

10-18-73

Approved By \_\_\_\_\_

Building Codes Division

Date

KEY: A - Passenger Elevator B - Freight Elevator C - Escalator D - Dumbwaiter E - Moving Walk F - Sidewalk G - Special Ser.

DISTRIBUTION: White - Building Codes Division, Canary - Leave at Building, Pink - Owner, Gold - Inspector

NAME: Walter Johnson DATE: 9/16/70

ADDRESS: President of National Labor

PHONE: 9421

REPRESENTING WHOM? DW

APPEARING ON WHICH PROPOSAL: C.R. 434

DO YOU: SUPPORT?        AMEND?        OPPOSE? ✓

COMMENTS: Opposition of President of National Labor  
to the proposed bill

NAME: Joe Reever DATE: 2/16/74

ADDRESS: 38 So. 1st Street

PHONE: 442-9626 Ext 40

REPRESENTING WHOM? CL. of the Poor

APPEARING ON WHICH PROPOSAL: 434

DO YOU: SUPPORT? \_\_\_\_\_ AMEND? \_\_\_\_\_ OPPOSE? NO

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: CHARLES W. CHAMBERLAIN DATE: 2-16-79

ADDRESS: 3202 SILVERWOOD ST. - Billings, MT. 59102

PHONE: 748-8186

REPRESENTING WHOM? ASSOCIATED BUILDERS & CONTRACTORS, INC.  
MONTANA CHAPTER

APPEARING ON WHICH PROPOSAL: S.B. 439

DO YOU: SUPPORT? ✓ AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAME: Terry Bass DATE: 2-16-79

ADDRESS: P.O. 4519 Helena

PHONE: 442-4162

REPRESENTING WHOM? Montana Farmers Assoc

APPEARING ON WHICH PROPOSAL: SB - 439

DO YOU: SUPPORT X AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: Moved Prepared For Committee.

NAME: William A Merrick DATE: 2/16/79

ADDRESS: 717 So Tracy - Bozeman MT

PHONE: 586 6008

REPRESENTING WHOM? Gallatin Field Board + Aerospace Commission

APPEARING ON WHICH PROPOSAL: SB 451

DO YOU: SUPPORT? ✓ AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAME: JEFF Bost DATE: 2/10/78

ADDRESS: 248 So Santa Fe Billings

PHONE: 656 1986

REPRESENTING WHOM? Charles Pizzo

APPEARING ON WHICH PROPOSAL: SB 151

DO YOU: SUPPORT X AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: See attached

I am originally from Salt Lake City  
and was planning on moving back to SLC  
to open a pizza shop there  
where I can ~~open~~ <sup>get</sup> a  
beer license for 201<sup>00</sup>.  
~~a state~~ But now I  
am going to stay in Billings with  
my ~~pizza~~ <sup>have to</sup> restaurant so I don't lose  
everything I've got

I WAS HERE IN 1977 to support  
S.  
SENATE Bill 206 which ~~that~~ was going  
to change the quota system on beer  
licenses because I owned a  
pizza shop in Billings <sup>needed to sell beer</sup>. I had  
the only pizza shop out of 11  
that did not have a beer license.  
Although winter business was good  
because we delivered along with  
5 other pizza shops that ~~delivered~~ during  
the <sup>warm months</sup> ~~summer~~ the business was in the  
red because customers flat out told  
me they really liked our pizza but  
when they go out for pizza they  
wanted beer or wine along with  
their pizzas. I applied for the  
state for a license but I got this denial

2  
Hence I tried to get a beer  
license which was selling for \$27,000,  
but my bank ~~to~~ with which I  
had excellent credit experience told  
me I would have to have 80%  
collateral which I did not have.  
Now in 1979 just a beer license  
is selling for 35,000+ in Billings  
~~I tried to get a written quote~~  
~~but neither Hannah or Streeter Co. could~~  
~~give me one because they knew what I~~  
Because of this problem ~~I was~~  
~~unable to get~~ of obtaining  
\$27,000 I was forced to sell in Feb 1978  
to a party who had access to a beer  
license. Their beer license did not  
materialize as planned.

3

So 2 month ago I was informed  
that I was going to get my  
pizza shop back after the failed  
to make money even after extensive  
remodeling. Read 3A

My bank said they really  
don't want any bar license as  
collateral because of the uncertainty  
with the legislature and 1980 Census  
coming up. So this is my only  
way to get a license and stay  
in business.

My main concern is with beer  
I'll just briefly state some fact  
which I have substantion for.

Out of 50 States only 4 have  
quotas on beer licenses; MONT,  
New Jersey, MICH, INDIANA.  
Wyoming only has 1 class of license, it is  
for all beverages.

In N.J. they quota entitles not  
allowing <sup>new beerhouse</sup> ~~less~~ that are within  
1200 ft of public roadway to  
existing ~~each~~ other.

In MICH they control license  
for bars. If food sales are 50%  
there is no limit.

In Indiana there is quota for  
beer licenses including one for  
restaurants but ratio of license to population  
is applied every year to the estimated pop  
~~of~~

5

Except every 10 years the ratio  
is applied to the population determined  
by the Federal decennial census  
Ratio is 1 license per 1000 people

(6A) Virtually every other state has  
different classes of beer license for  
bars or restaurants.

~~Class I~~  
~~Class II~~  
~~Class III~~

MONT  
WAITS  
10 yrs  
AT A TIME

And there is Montana's law!

As you have certainly noticed the  
trend is not for new bars but for  
restaurants serving Beer or liquors  
In the past ~~few~~ years 24 new  
restaurant have opened serving alcohol  
in Billings  
But there has only been a max of  
3 straight bars open.

~~SA~~ SA  
In Indiana if the quota  
is filled then a person must  
buy existing business AND IT ASSETS  
at present location and the  
location transferring the business  
Also the demand is for  
hard liquor not beer

In most cases stated in this  
license denial one can buy  
just the license

(6)

As far as law enforcement problem areas  
of all the disturbances at bars &  
restaurants serving alcoholic beverages  
the vast majority occur at 3  
bars in a certain area of Billings

This documentation supports this.  
While Billings Police Districts #4, 5, 6

only have 32% of population ~~that~~  
mostly bars  
those districts have 50% of license

These 3 districts are responsible  
for 87 1/2 % of drunks + 58% of disturbances

So you can see the bars, not  
restaurants with booze, are the problem

I talked to  
A lot of all the people who support abrogating  
the quota system NOFOCUS going to open

a straight booze bar, they will  
be restaurants

① As far as support for changing this law

There is a list of people around  
who support it

Montana of which there are several

who hold beer licenses but see  
the need for change

Several THE MONTANA NEWSPAPERS HAVE

give their approval to changing  
the quota as in this editorial

Many people I talked to  
didn't even know there was a quota  
on Beer they thought it was just  
on liquor.

Before  
last

I agree some kind of compensation has to be given to people who paid high prices for licenses. Whether it be refunds or tax credits. Or seeing how bank aren't too liberal on financing these why not have the state finance these high price license seeing how it is the state that has let them go up ~~impose~~ to outlandish prices.

*NBT*  
I don't see why a beer license  
should be controlled like we in Mont  
do it. I can't take my  
restaurant license and hold it for  
a few years and sell it for  
30 or 30 thousand dollars profit

The public voted for wine in  
~~stones.~~ ~~This is not what the free  
enterprise system is all  
about.~~

I think that states the public's  
view as ~~the~~ more availability of  
liquor in general ~~for the public~~

The majority of licenses are being  
bought by large corporation &  
out of state interest who have the  
bucks which hurts the small business man  
This is not what the free enterprise  
system was designed to do

Thank you



# STATE OF MONTANA

## DEPARTMENT OF REVENUE

### LIQUOR DIVISION

MITCHELL BUILDING

HELENA, MONTANA 59601

February 1, 1977

Jeffrey Gordon Bost  
2315 Alderson  
Billings, Montana 59102

and

James M. Olinger  
1437 Ave E  
Billings, Montana 59102

Re: Application for New Retail Beer License  
Mediocre Mike's Pizza  
2528 1st Avenue North, Billings

Gentlemen:

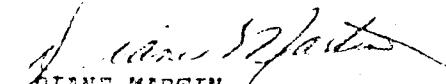
Enclosed is your application for a retail beer license to be used at Mediocre Mike's Pizza in Billings, which was received on January 27, 1977. Also enclosed is your business check #1939 in the amount of two hundred and fifty dollars (\$250.00), and a copy of the lease agreement which accompanied the license application. Pursuant to the provisions of the Montana Alcohol Beverage Code, Section 4-4-201, R.C.M., 1947, we are unable to legally issue an additional retail beer license for use in the city of Billings or within five (5) miles of the corporate limits thereof. Further, Section 42-2.12(6)-S1298 of the Montana Administrative Code requires that all applications, which cannot for any legal reason be considered, be returned to the applicant without further processing.

Under the current statutes the only way to obtain a license for use in the city of Billings or within five (5) miles of the corporate limits of that city would be to enter into an agreement to purchase an existing license from its owner, subject to the approval of the Department and then apply for transfer of ownership and location of such license.

If you have any further questions in this regard, please do not hesitate to contact me.

Sincerely yours,

DEPARTMENT OF REVENUE  
LIQUOR DIVISION

  
DIANE MARTIN  
License Bureau Chief

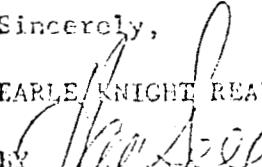
B  
November 9, 1976

Mediocre Mike's, Inc.  
2528-1st Ave. No.  
Billings, Montana

Gentlemen;

As per your request we are quoting a price of \$27,500.00 for a Montana Beer and Wine License that we have for sale.

The license does not belong to us and the price is subject to change by the owner, at anytime.

Sincerely,  
EARLE KNIGHT REALTY  
By   
Barry Sell, Broker

Note:

Letter head copy is  
in our office

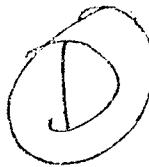
50 STATE LIQUOR LAW SUMMARIES

	Quota on Beer Licenses	Max. Cost of Beer License	Beer Licenses Readily Available	Quota on Wine	Quota on Liquor	Footnote
<b>MONTANA</b>	<b>YES</b>	<b>27,500</b>	<b>NO</b>	<b>YES</b>	<b>YES</b>	
Washington	No	62	Yes	No	Yes.	
Minnesota	No	400	Yes	No	Yes	
Missouri	No	35	Yes	No	No	
So. Dakota	No	100	Yes	No	Yes	
So. Carolina	No	35	Yes	No	No	
Nevada	No	1100	Yes	No	No	
Utah	No	201	Yes	No	Yes	
Nebraska	No	100	Yes	No	Yes	
Indiana	Yes	1200	Yes	Yes	Yes	
Oregon	No	250	Yes	No	Yes	
New Jersey	-	-	-	-	Yes	#1
Florida	No	150	Yes	No	Yes	
Delaware	No	225	No	No	No	#4
Arizona	No	425	Yes	No	Yes	
Virginia	No	80	Yes	No	Yes	
No. Carolina	No	25	Yes	No	Yes	
Connecticut	No	240	Yes	No	Yes	
New Hampshire	No	225	Yes	No	No	
Colorado	No	175	Yes	No	No	
Oklahoma	No	100	Yes	No	No	
Georgia	No	25	Yes	No	Yes	
California	No	168	Yes	No	Yes	
Wisconsin	No	100	Yes	Yes	Yes	
Michigan	Yes	250	Yes	Yes	Yes	#3
Wyoming	-	-	-	-	Yes	#2
Maine	No	200	Yes	No	No	
Idaho	No	25	Yes	No	Yes	
No. Dakota	No	100	Yes	No	No	
Texas	No	400	Yes	No	Yes	
Kansas	No	150	Yes	Yes	Yes	
Texas	No	30	Yes	No	Yes	
New Mexico	No	250	Yes	No	Yes	
Iowa	No	100	Yes	No	Yes	
Louisiana	No	30	Yes	No	No	
Alaska	No	350	Yes	No	Yes	
Arkansas	No	150	Yes	No	Yes	
Kentucky	No	150	Yes	Yes	Yes	
Tennessee	No	50	Yes	Yes	Yes	
Illinois	No	50	Yes	No	Yes	
Hawaii	No	300	Yes	No	Yes	
New York	No	150	Yes	No	No	
Pennsylvania	No	300	Yes	Yes	Yes	
Rhode Island	No	700	Yes	No	No	
Massachusetts	No	600	Yes	Yes	Yes	
West Virginia	No	300	Yes	Yes	Yes	
Ohio	Yes	1,000	Yes	No	No	
Mississippi	No	50	Yes	No	Yes	
Alabama	No	150	Yes	No	Yes	
Maryland	No	400	Yes	No	Yes	

State of Ohio

Department of Liquor Control

2323 West Fifth Avenue  
Columbus, Ohio 43204



James A. Rhodes, Governor

Clifford E. Reich, Director

February 9, 1977

Jeff Bost  
2315 Alderson  
Billings, Montana 59102

Dear Mr. Bost:

This is in answer to your letter of February 1, 1977. We do have a quota system in Ohio for all C-type and most D-type liquor licenses. The number of these various classes which may be issued is determined by applying a predetermined fixed ratio to the annually estimated population, except that every ten years the ratio is applied to the population determined by the federal decennial census. The statutory quota sets the maximum number of each class that may be issued, and a regulation of the Liquor Control Commission (Regulation 4301:01-64) establishes the ratio. In Ohio, for purposes of the quota, there are three classes of political subdivisions: a city; a village (less than 5000 population); and the unincorporated area (comprised of the townships outside a municipality). There is no separate quota for the township, as all are included in the unincorporated area of the county.

The C-1 and C-2 licenses are for sale of 3.2 beer, and 7% beer, ale, and wine for carry-out only.

Restaurants must have a D-1 license to sell 3.2 beer for consumption on the premises, and a D-2 license to sell malt liquors (more than 3.2% but not more than 7% of alcohol by weight) and wine (not less than 7% of alcohol by weight and not more than 21% of alcohol by volume) for consumption on the premises. These licenses are under quota, and the fee for a D-1 license is \$100.00 for each location, and the fee for a D-2 license is \$150.00 for each location except when the holder also has a D-3 license, the fee for the D-2 is \$100.00.

If there is no opening for a D-1 or a D-2, the applicant may buy an existing D-1 or D-2 business and its assets at the present location, and later location-transfer it to the desired location. However, in Ohio, it is the D-3 and D-5 classes for spirituous liquor which have the tightest quotas, resulting in the applicant being forced to buy an existing D-3 or D-5 business and its assets at its present location and then location-transferring the business.

In Ohio, (a control state) the state establishes the quota and controls the issuance of licenses, subject to provisions for statutory objections by, and hearings on behalf of legislative authorities and certain institutions within 500 feet of the proposed permit premises. No city may establish quotas, and city ordinances in conflict with the state liquor law are not enforceable as to the permit holder.

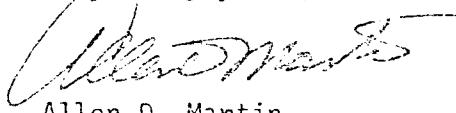
Jeff Bost  
February 8, 1977  
Page 2

I have inserted a "yes" or "no" answer to your questions on the enclosed xerox copy of your letter. In addition, I am also sending you our pamphlets "Selected Laws and Regulations" relating to D-class permits and also to C-1 and C-2 permits.

I would very much appreciate it if you would send me a copy of the Montana Bill which has been introduced to do away with the beer license quota system.

If you have any further questions, feel free to write me again.

Very truly yours,



Allen D. Martin  
Chief, Permit Division

MMD:mh

Enclosures

IN 1976 there were approx.  
800 Disturbance calls to  
Bars in Billings. For all of Billings  
there were 4222 disturbance  
calls. So 19% of all disturbances  
occur at bars.

While only approx 32% of Billings  
Population live in B.R.O. Districts  
4, 5, and 6 they hold 50% of  
beer and liquor licenses.

Districts 4, 5, 6 are responsible for  
87.5% of break-ins  
and  
58% of all disturbances

This mainly due to transient persons,  
travelers, & poverty

There will generally be squad cars or  
motorcycles at the parking lot on MINNEAPOLIS 27  
at night for serving the BAR AROUND THERE

	1	2	3	4	5	6
% of Total Assets	20%	25%	20%	11%	15%	10%
% of Total Liabilities	9%	8%	7%	6%	5%	4%
% of Total Capital	14%	14%	14%	11%	10%	9%
Interest Rate (%)	10%	10%	10%	10%	10%	10%
Interest Type	Fixed	Fixed	Fixed	Variable	Variable	Variable
Interest Period	1 Year					
Interest Frequency	12 Months					
Interest Payment	125%	125%	125%	125%	125%	125%
Interest Type	Fixed	Fixed	Fixed	Variable	Variable	Variable
Interest Period	1 Year					
Interest Frequency	12 Months					
Interest Payment	68%	68%	68%	68%	68%	68%
Interest Type	Fixed	Fixed	Fixed	Variable	Variable	Variable
Interest Period	1 Year					
Interest Frequency	12 Months					
Interest Payment	125%	125%	125%	125%	125%	125%

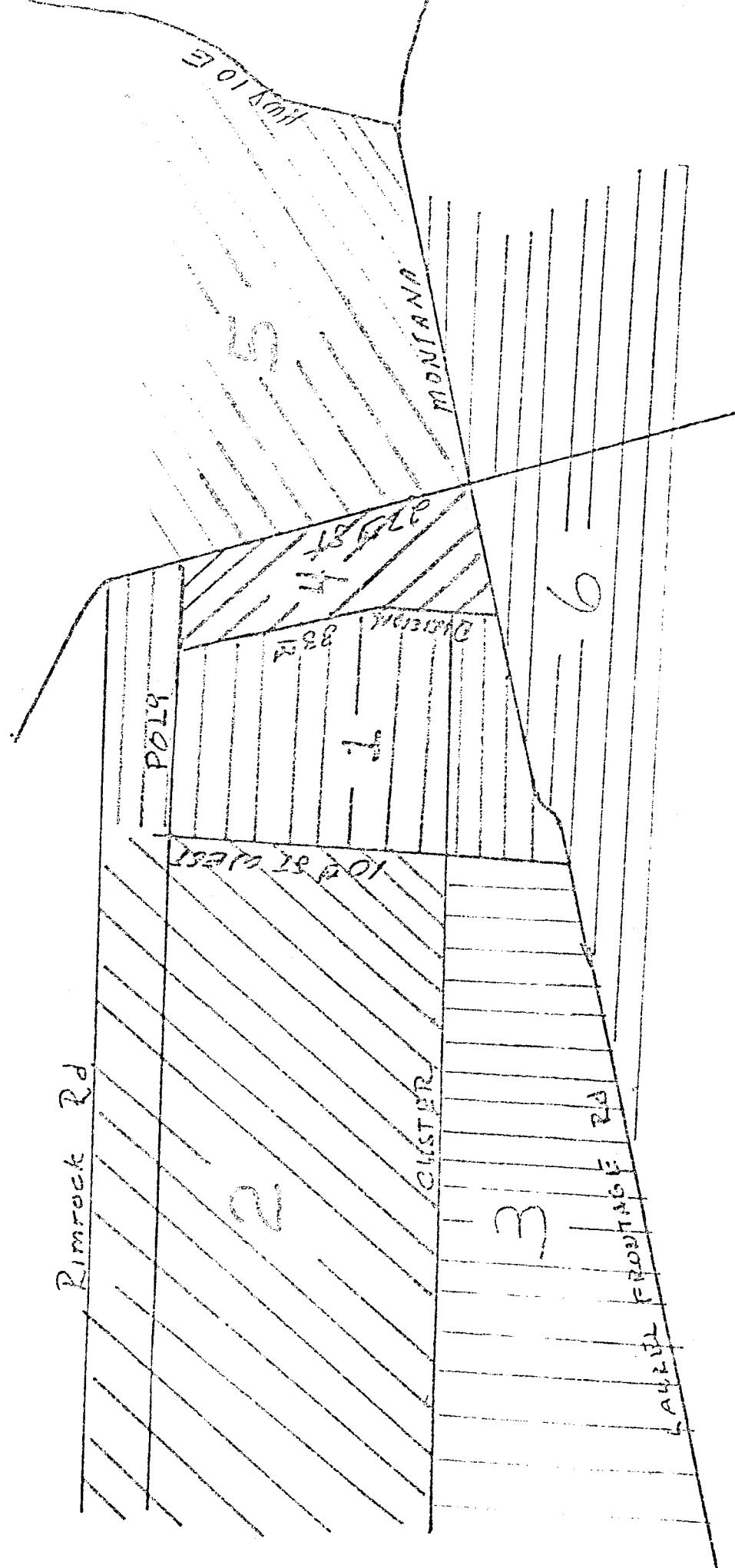
## REVENUES

REVENUES																			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120
121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140
141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160
161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180
181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220
221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240
241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260
261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280
281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300
301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320
321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340
341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360
361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380
381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400
401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420
421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440
441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460
461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480
481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500

Year	Total	19%	20%	19%	20%
1958	48	20	28	19	29
1959	34	17	17	20	20
1960	39	17	22	20	20
1961	52	24	28	21	28
1962	54	22	32	22	30
1963	50	24	26	22	28
1964	74	36	38	35	39
1965	85	41	44	39	46
1966	70	35	35	32	38
1967	75	39	36	34	41
1968	61	28	33	24	37
1969	34	17	17	14	17
1970	23	12	11	11	12
1971	24	13	11	13	11
1972	34	18	16	14	16
1973	584	262	322	232	322
1974	586	263	323	233	323
1975	682	301	381	261	381
1976	682	301	381	261	381
1977	600	260	340	200	340
1978	682	301	381	261	381
1979	682	301	381	261	381
1980	682	301	381	261	381
1981	682	301	381	261	381
1982	682	301	381	261	381
1983	682	301	381	261	381
1984	682	301	381	261	381
1985	682	301	381	261	381
1986	682	301	381	261	381
1987	682	301	381	261	381
1988	682	301	381	261	381
1989	682	301	381	261	381
1990	682	301	381	261	381
1991	682	301	381	261	381
1992	682	301	381	261	381
1993	682	301	381	261	381
1994	682	301	381	261	381
1995	682	301	381	261	381
1996	682	301	381	261	381
1997	682	301	381	261	381
1998	682	301	381	261	381
1999	682	301	381	261	381
2000	682	301	381	261	381
2001	682	301	381	261	381
2002	682	301	381	261	381
2003	682	301	381	261	381
2004	682	301	381	261	381
2005	682	301	381	261	381
2006	682	301	381	261	381
2007	682	301	381	261	381
2008	682	301	381	261	381
2009	682	301	381	261	381
2010	682	301	381	261	381
2011	682	301	381	261	381
2012	682	301	381	261	381
2013	682	301	381	261	381
2014	682	301	381	261	381
2015	682	301	381	261	381
2016	682	301	381	261	381
2017	682	301	381	261	381
2018	682	301	381	261	381
2019	682	301	381	261	381
2020	682	301	381	261	381

100% Total

CITY OF BILLINGS  
POLICE BEAT DISTRICTS



Beer & LIQUOR LICENSE  
LOCATION

BEAT 1 (6)

HUFBRAN  
TAPINN  
1145 CLUB  
SCOOP  
EXIT  
COCKPIT  
LITTLE ROTTERND  
SHAMROCKS  
CROWN DRAGON  
~~LITTLEFIELD INN~~  
HAPPY GOES  
ALLIED TO  
ASHERS  
SKYVIEW Terrace

9%

BEAT 4 (12) 17%

CENTER LOUNGE  
CRYSTAL  
EMPIRE  
GALLEY  
MINT  
MONTE CARLO  
SHAMROCK  
HEIDELBERG  
CASA DE PIZZA  
ROYAL FLUSH  
GOLDEN BELLE  
PIZZAHUT  
~~QUARTER~~

BEAT 2 (19) 67%

DRIFTERS  
JUBILEE  
KOKO  
LIONS DEN  
ARCHER'S  
ZIUS  
Sgtine  
Corner Pocket  
Suds Hut  
LITTLE BISMARCK  
BUCKWAGONS  
GOLDEN DRAGON  
VILLAGE INN

14%

BEAT 5 (12) 19%

CHUCKWAGON  
HORSESHOE  
LOBBY  
RAINBOW  
RED DOOR  
SPUR  
BONANZA  
LOG CABIN  
VEGAS CLUB  
MILEAWAY  
REX  
SPAGHETTI DEPOT  
SEVENTEEN

BEAT 3 (10)

CHARLIE BROWNS  
POWDER HORN  
BUCK  
SHAKIES  
PIZZA HUT  
CATTLE CO.  
SUNDOWNER  
GRANDMAS  
HOLIDAY INN  
RAMADA INN

BEAT 6 (10) 14%

AL'S TAVERN  
ARCADE  
SILVER DOLLAR  
STAR BAR  
WESTERN BAR  
WHEEL BAR  
KEG  
WARBONNET  
WINDMILL  
RENO

LICENSE OUT OF CITY

~~25~~

CIRCLE INN  
LITTLE BIG MBN  
JAIL House  
HOLIDAY INN  
WONGS  
HAYLOFT  
MISS-CUE  
PACK TRAIL  
BROKEN DRUM

(9)

26  
79

10

12

13

10

9

79

6

## SOME SUPPORTERS OFSB 206

J. M. Olinger	Mediocre Mike's	Billings
Jeff Bost	Mediocre Mike's	Billings
Gregg Defee	Howard's Pizza	Great Falls
Kieth Erb	Howard's Pizza	Great Falls
Jerry Simonson	Howard's Pizza	Great Falls
Carl Banik	Taco Treat	Great Falls
Richard Nelson	CJ'S Ribs N'Such	Billings
Mike Bolte	Grand Ave. A&W	Billings
Reginald Brewer	Red Roof Motel	Helena
Larry Jackson	Taco Treat	Great Falls, Helena
Frid Meister	Howard's Pizza	Missoula
Orville Green	Flo's Cheese Shop	Helena
Renee E. McCann	Feedbin	Bozeman
Samantha Samways	Feedbin	Bozeman
Gunnar Freivalds	Feedbin	Bozeman
Linda Widney	Feedbin	Bozeman
Ken Olson	Pickle Barrel	Bozeman
Jan Dahl	Home Bake Shop	Bozeman
Robert Shinn	Sweetgrass Sandwich Shop	Billings
Gordon & Jean DeVall	Gordy's	Whitefish
Ronald Gould	Mission Music	Polson
Milo Westburg	Flo's Cheese Shop 1	Helena
Gene Leuwer	Flo's Cheese Shop	Helena
Carlos M Garcia	Carlos' Supper Club	Great Falls
Dennis Fisher	Taco Treat	Missoula
Frank S. Wolcott	Galatin Field	Bozeman

Tom Page	Johnson-Bell Airport	Missoula
Hugh Kelleher	Helena Airport	Helena
Harold Hanson	Flea Market	Billings
Rudy Reed	2nd Time Around	Billings
Helen Neiss	Carlin Hotel	Billings
Harry Garberg	Sheet Metal Workers	Billings 76
Sterling Orgain	N.C.R. Branch Mgr.	Billings
Billie Mae Jackson		Ronan
Harry & Mary Jensen		Dillon
William F. Koeppen		Missoula
Dr. James Johnson		Billings
Mike Pickett		Billings
Robert W. (Bud) Dunham Jr.		Billings
Darrel Small		Billings
Donna Small		Billings
Dr. Roger Greenlee		Billings

PIZZA HUTS

Big's  
McCity  
Rozen

# Montana

## Consider the customer

Legitimate sandwich and pizza shops in Montana should be able to obtain beer licenses from the state without being subjected to holdup prices for the necessary permit.

The sale of beer is not their reason for existence but rather a convenience for their customers, the public.

Most other states make provision for sale of beer by sandwich shops. Montana should do the same.

State Sen. William Lowe, Billings, has introduced a bill which would allow the pizza houses to get on-premise consumption beer licenses and at the same time protect the investment of today's bar and lounge owners who have paid highly inflated prices for the state liquor licenses.

Lowe's bill would make available the 134 unsold beer license in the state in those growing areas where present quotas ban further permits.

The measure also would allow holders of high-priced licenses to take a normal business loss on their income tax returns for any devaluation of their permits.

The pizza house beer license falls in a separate category from that of an entrepreneur who wishes to open a new luxury motel, night club or posh restaurant.

The latter wants the hard liquor permit for the cocktail and convention crowd and finds the cost a comparatively small portion of his investment.

That's not true of the sandwich shop or fast-food outlet. There is no reason why he should be forced to pay \$27,000 plus to a real estate broker for a permit.

The permit is usually being offered at the premium price by a joint owner who is hanging on only to cash in on the inflated value of the permit. He doesn't care if Hilton Hotels or Hank's Hashhouse pays his price.

The law proposed by Lowe won't stop the growth of first-class supper clubs or throw licensing wide open to the detriment of all operators.

It will serve the public in allowing them to get a beer with a sandwich or pizza at the place of their choice.

DATE February 16, 1979

COMMITTEE ON Business & Industry

VISITORS' REGISTER

NAME: Dick Ladd DATE: 7/15

ADDRESS: 101 Park

PHONE: \_\_\_\_\_

REPRESENTING WHOM? Mont. Taxpayers Assn.

APPEARING ON WHICH PROPOSAL: SB 451

DO YOU: SUPPORT? \_\_\_\_\_ AMEND? \_\_\_\_\_ OPPOSE? X

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAME: MARIE DIRECT DATE: 16 Feb 76

ADDRESS: 8441 S. 10 - FRENCH RD

PHONE: Ridgefield 02 97225

REPRESENTING WHOM? DISCUS

APPEARING ON WHICH PROPOSAL: SB 451

DO YOU: SUPPORT? \_\_\_\_\_ AMEND? \_\_\_\_\_ OPPOSE? X

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_