

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
54th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON BUSINESS & LABOR

Call to Order: By **CHAIRMAN BRUCE T. SIMON**, on March 1, 1995, at 8:00 AM.

ROLL CALL

Members Present:

Rep. Bruce T. Simon, Chairman (R)
Rep. Norm Mills, Vice Chairman (Majority) (R)
Rep. Robert J. "Bob" Pavlovich, Vice Chairman (Minority) (D)
Rep. Vicki Cocchiarella (D)
Rep. Charles R. Devaney (R)
Rep. Jon Ellingson (D)
Rep. Alvin A. Ellis, Jr. (R)
Rep. David Ewer (D)
Rep. Rose Forbes (R)
Rep. Jack R. Herron (R)
Rep. Bob Keenan (R)
Rep. Don Larson (D)
Rep. Rod Marshall (R)
Rep. Karl Ohs (R)
Rep. Paul Sliter (R)
Rep. Carley Tuss (D)
Rep. Joe Barnett (R)

Members Excused: Rep. Jeanette McKee

Members Absent: None.

Staff Present: Stephen Maly, Legislative Council
Alberta Strachan, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: SB 239, HB 567, HB 554, SB 327
Executive Action: SB 239, HB 567, SB 327

CHAIRMAN SIMON relinquished the chair to **VICE CHAIRMAN MILLS**

HEARING ON SB 239Opening Statement by Sponsor:

SEN. FRED VAN VALKENBURG, SD 32, Missoula County, stated this bill was an act providing that the beer wholesaler interbrand competition law does not apply to brands produced in limited quantities. He also supplied amendments. **EXHIBIT 1**

Proponents' Testimony:

Tom Hopgood, Executive Secretary, Montana Beer & Wine Wholesalers Association, said this bill would exempt distributors of micro brews from the statutory requirement that distributors call on 75% of the retailers in their territory at least every three weeks. The Association opposed this bill in the Senate. The bill as amended would protect the integrity of the call ratio statute as well as allow micro brew distributors to sell and deliver their products without an undue burden. The sound public policy of maintaining healthy interbrand competition is protected by the amendatory language. At the same time, the micro brew distributor is allowed to conduct their business without the burden of meeting the requirements of the call ratio statute. To do so would cause the performance of a meaningless act.

EXHIBIT 2

Joe Roberts, Mountain State Beverage and Buy Beverage, said there had been substantial discussion in the last week and a compromise had been reached that the larger distributors and wholesalers are able to support. They also supported the amendments.

Dave Hewitt, Clausen Distributing, said on behalf of the Montana Beer and Wine Wholesalers they supported this bill.

T. Nash said he was an owner of a distributorship which handled the micro beers and a compromise was negotiated which would be very fair for a business which stands today and a business which would come in the future.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

None.

Closing by Sponsor:

The sponsor closed.

HEARING ON HB 567**Opening Statement by Sponsor:**

REP. CHASE HIBBARD, HD 54, Lewis and Clark County, stated this bill was an act revising the laws governing the qualified Montana Small Business Investment Capital Company; clarifying the investment status of science and technology investments relative to the qualified Montana Small Business Investment Capital Company; conforming qualified investments to federal small business standards; providing that administrative fees may not be charged to the qualified Montana Small Business Investment Capital Company; clarifying certification requirements; extending the period for claiming tax credits; eliminating recapture provisions for the qualified Montana Small Business Investment Capital Company; authorizing qualified retirement plans to invest in the qualified Montana Small Business Investment Capital company; authorizing investment in limited partnership interests of the qualified Montana Small Business Investment Capital Company and revising the authority to liquidate the qualified Montana Small Business Investment Capital Company. He also supplied amendments. **EXHIBIT 3**

Proponents' Testimony:

Jon Marchi, President, Montana Small Business Investment Company, said Montana is finally building an infrastructure that is having a positive impact on the state's economy. This bill changes the venture capital company part of the MSTA statute to require debt to be repaid in the same proportion as any payback made to any other investors or lenders. This bill also changes the Capital Companies Act to say that only SBIC's under this act allow federal laws and rules to have precedence over state laws and rules. It also extends the tax credits for two more years to July 1, 1997. **EXHIBIT 4**

Steve Huntington, Northern Rockies Venture Fund, said this would put into place one of the last important tools in the state which needs to have a good, solid nurturing environment for businesses that seek to grow fast and be very successful over time.

Evan Barrett, Executive Director, Butte Local Development Corporation; Montana Economic Developers Association; Vice President, Montana Small Business Investment Capital Company, said the associations represented over 60 economic development professionals across the state representing almost all of the economic development organizations in Montana. He also provided background information on the historical perspective of the bill which included the Capital Companies Act which has been enacted. In 1987 the tax credits expansion occurred, in 1990 the implementation of the act was criticized, in 1991 the Montana Small Business Investment Capital company in taxation was brought about, from 1992-94 the SBA rule changes had taken place and in

1995 the revisions sought to meet SBA changes to extend tax the credit window was established. **EXHIBIT 5**

Jon Noel, Director, Department of Commerce, stated his support of the bill.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

REP. DAVID EWER said before credit is claimed the Montana Small Business Investment Company must not only be qualified but must also be certified. **Mr. Marchi** said yes.

REP. ROD MARSHALL questioned the source of the salaried people. **Mr. Marchi** said the source is the percentage of the total portfolio under management as the administrative costs and this is how they are paid.

REP. JON ELLINGSON asked what kinds of companies this bill would refer to. **Mr. Marchi** said they would be the higher risk start-ups or some of the more "technology type" of investments. The other would be a company which is up and running but needs additional cash to continue to grow.

REP. ALVIN ELLIS questioned the success ratio. **Mr. Marchi** said the SBA had done an extensive study of all of the SBIC's in the U.S. The average annual return to the SBIC over a 10-12 year history is 14%.

TAPE 1, SIDE B

Closing by Sponsor:

The sponsor closed.

HEARING ON HB 554

Opening Statement by Sponsor:

REP. HAL HARPER, HD 52, Lewis and Clark County, said this bill was an act relating to small breweries, home brewing, and in-state breweries; authorizing the retail sale of beer and malt beverages by small breweries; prohibiting gambling and establishing hours of operation in a small brewery licensed by retail beer sales; providing that a license for retail sale of beer at a brewery may be held in conjunction with other licenses issued under Title 16, Chapter 4; providing for the administration of the license; authorizing home brewing that meets the requirements of federal law; clarifying that in-state brewers are required to have a license even if they make no in-

state sales of beer. He also supplied a legislation fact sheet and an agricultural fact sheet. **EXHIBIT 6**

Proponents' Testimony:

Chris Racicot, Montana Brewers Association, stated the allowances of this bill; the restrictions of the bill; what breweries must do to comply with this bill and the consequences if this bill does not pass. **EXHIBIT 7**

Duane Madsen, President, Inter-Mountain Laboratories, Inc. and Kessler Brewing Company, submitted written testimony. **EXHIBIT 8**

Jennifer Ballard, Rock'n M Brewery, said there is no other enterprise with such restrictions on business and employees of a corporation. She supplied further written testimony. **EXHIBIT 9**

John Campbell, Long Creek Brewery, stated this bill was good for the state as it would allow Montana brewers to compete on a level footing with 47 other states who had passed this legislation. This bill is also good for industry. **EXHIBIT 10**

Juergen Knoeller, Bayern Brewing, Inc., provided written testimony. **EXHIBIT 11**

Tod Murphy distributed a copy of the Montana Codes Annotated regarding this legislation. He also stated this bill would enhance the community, create jobs and there would be new state revenue. **EXHIBIT 12**

Brian McLean provided a video tape of his testimony.

Brad Smith said he was a home beer maker as well as a partner in a home brewing supply business in Helena.

REP. ED GRADY also stated he supported this legislation.

Brad Robinson, Big Sky Brewing Company, said if there were more breweries and more brew pubs there will follow other support industries. If there were enough of a demand there would also be malting mills in the state.

Brad Griffin, Montana Retail Association, said they supported this bill because it encompasses all the principles which are good business development in Montana. It is good to allow a producer to sell their own product.

Paul O'Leary, Bridger Brewing Company, said he had concern with the production limit provisions as the bill is written. There are currently several exemptions to the quota system which are already in place.

Bob Stevens, Montana Grain Growers Association and the National Barley Growers Association, stated he favored this bill. He also

said most of Montana's barley is shipped out of state. Passage of this bill would make a considerable impact on the agricultural economy in the state.

James Page, The Great Falls Home Brewers, said he supported this bill.

Brian Smith stated his support of this bill and supplied testimony. **EXHIBIT 13**

Mike Sullivan stated he was a home brewer and is in full support of this bill. This bill is a form of government intervention on the public home owner to do something in the privacy of their own home.

Kirk Nicholls stated he was a home brewer and supported this bill. He also supplied written testimony. **EXHIBIT 14**

Steve Shellhart stated he supported this bill.

Opponents' Testimony:

Mark Staples, Montana Tavern Association, stated his opposition to this bill and also supplied testimony from **Paul Grosvold, J.R.'s Lounge, Inc. EXHIBIT 15, Krista Palagi and Jerry Palagi Boxer's Sport Lounge, EXHIBIT 16; Mark Taverniti, Spanish Peaks Brewing Company, EXHIBIT 17; Dan Konten, Brewing Montana Company, EXHIBIT 18; John Tooke, Golden Spur Casino, Inc., EXHIBIT 19; Barbara Tuss, Hubcaps, Inc., EXHIBIT 20**

Toby DeWolf, Bert & Ernies said they had been supporters of the micro-breweries in Montana. They carry a broad variety of their products, including an emphasis on Kessler products since Kessler's inception. They think it would be unfair for Kessler Brewery to be given a license for free, whereas Bert and Ernies paid full value for their license. **EXHIBIT 21**

Troy Grovom, Miller's Crossing said he opposed this bill.

Barbara Morris, Jorgenson's Restaurant, said they opposed the bill. She also said she wanted to commend Kessler Brewery for coming back as well as they have done. The revenues they have taken in 24 months was good. For this bill to say the state may just give a brewery a license if they desire would be unfair to the small tavern owners.

Informational Testimony:

James Pelland, Montana Brewer's Association and J.P's Home Brew Supplies, EXHIBIT 22

Questions From Committee Members and Responses:

REP. ELLIS said that in order to establish a business which will micro-brew beer in the volume suggested is going to cost approximately \$400,000 to \$500,000. These brewers are requesting a license to sell beer and malt beverages and not a beer and wine license nor a gambling license. How much of an investment would be required to undertake this operation for a Bert & Ernie's Restaurant? **Mr. DeWolf** said the cost would be \$500,000.

REP. ELLIS then stated they could have machines and can sell wine. He then asked why the brewers felt threatened by the bill. **Mr. DeWolf** said they were subjected to a quota system that was so strongly supported for so long. There is a vested interest which they established in the business. They were subjected to putting their profit toward the costs involved in the business.

REP. ELLIS said when Bert & Ernie's was opened everyone knew what was to be sold. If there are a number of different kinds of products, there does not seem to be a problem. How does a reputation become established to get the bars to carry the brewer's product? There is limited space to display products, and the major breweries are going to demand the major share of that space. How is the name developed to start a product? **Mr. DeWolf** said that was part of the way the product is marketed. Micro-breweries are coming into Montana from other parts of the United States. The brewers become popular through taverns who sell their product. That is how recognition is gained. There is a particular beer brought into taverns because it is a product which was unique to Montana. That was his definition of credibility or selling products through the taverns.

REP. PAVLOVICH questioned the way brewers obtain a beer, wine and all beverage license. Does that mean they will be able to sell liquor? **REP. HARPER** said prohibition being repealed. If a tavern was still being operated, a brew pub could also be opened. That could be established because of prohibition. All of the other arrangements which were mentioned in the bill have separate kinds of deals regarding some other licensee as an outlet of those products because they cannot own a license under current law.

REP. PAVLOVICH asked **Mr. Smith** if he had an all-beverage license would this also enable him to sell food and their own brew of beer. **Mr. Smith** said they were allowed to do all but sell their own brewed beer. **Mr. Kroeller** said his ex-wife had previously owned a bar and he had owned the brewery. Beer was sold to a distributor who sold it back to the bar. It was not a direct transaction from the brewery to the bar.

REP. PAVLOVICH asked if, under this bill, the Kessler Brewery planned on selling food. Does a brewery allow a person to buy their beer and take it out of there? **Mr. Madsen** said yes. He

also said he did not know the answer to the question of take out beer from a brewery.

REP. COCCHIARELLA said there could be a compromise in this legislation because she was opposed to giving away a license. These micro-brewers have a way to market their products. A tavern does not do that except to sell from their tavern. It appears the compromise in this legislation would be to allow micro-brewers to buy a liquor license like other people who sell beer in the state. That is not what this bill does. Is there any willingness to allow them to buy a beer and wine license which the law prohibits now or put them on the same footing as people who actually participate in the business. **REP. HARPER** said this is not a free license. This is a license which cost \$250. The bill states if an owner has a beer only license and wine would be added to this license, the cost is \$200. The original cost for an all-beverage license is \$400. Brew pubs already pay a \$500 fee to the state, \$1000 fee to the federal government. The least value which occurs as a result of the quota system for either an all beverage or beer and wine license would also have the potential for the privileges of gambling. That is a different kind of license or industry. It builds a product, allows the selling of this product and does not intend to compete in that area. The only element of competition is these people will create a product which also is sometimes sold in the taverns.

REP. COCCHIARELLA questioned if the answer to her previous question was no? **REP. HARPER** said that was not the answer. Anyone who had worked with this process is always more than willing to make a compromise that benefits both sides. That is certainly the position he has.

REP. COCCHIARELLA said she was bothered by the questioning of **REP. ELLIS** because in Belgrade two more establishments would exist selling beer in that small community. She then stated she felt this was an erosion of the quota system that protects people from too many bars. This can turn into something, in a small community, that could not be dealt with. Preventing alcohol abuse is one of the biggest problems Montana has. This bill encourages that. "How do you respond to the erosion of the quota system in the establishment of selling more beer in a small or big community?"

REP. HARPER said the trend in this day and age is tougher driving laws and people being more conscientious, moving beer drinkers towards a higher-quality, tastier beer. The beer of choice for younger adults who want to go out is a Kessler Double Bach. The trend of establishing these kind of micro-brews is in keeping with those trends where people can enjoy beer drinking more. **REP. ELLIS'** questions centered on the growth of an establishment and how an operation can be sustained. The answer is other states are doing this. The reason is, they are free to do this kind of thing.

REP. KARL OHS said there are some innovative ways that some of the brewers are marketing their beer and he asked if there are ways to get around the law. **REP. HARPER** said he did not know other than there needs to be a relationship which is forced upon the brewer by law. Though that symbiotic relationship obviously exists, in other cases it is a forced relationship. **Mr. Racicot** said both the brewery, micro-brewery or brew pub are different businesses which are unrelated with two different owners with no financial interest in either business. It is a forced relationship for the brewer.

REP. PAVLOVICH said the bill states employment will be created. There are only a certain amount of people who frequent these establishments and drink beer. A license is going to be created, a certain percentage of people are going to be drinking micro beer. There will be less people in the taverns drinking beer and the tavern owners will eliminate some jobs because they do not have the customers. The brew pubs will take away tavern customers. **Mr. Racicot** said he did not see this situation. This type of establishment tenders to a different type of clientele which is similar to the clientele that goes to operations like Bert & Ernie's which accepts families in their establishments. The employment would come through the support industries and through the agricultural interests. Brew pubs want to only sell their own product and don't want to sell all of the products from other states so they can get the exposure on the level playing field that out-of-state facilities presently have.

REP. ROD MARSHALL asked why Belgrade is so afraid of their product. **Ms. Ballard** said Belgrade has a limited number of bars and do a limited amount of business. Micro-brewers know how to make good beer.

REP. JON ELLINGSON said domestic wineries have had the ability to sell the wine which is produced on premises. He asked if that right has a negative impact on the value of beer and wine licenses throughout the state. **Mr. Racicot** said he did not know of any negative impact. There is only one winery in Montana so whatever the impact, it would be minimal.

REP. ELLINGSON then asked how many micro-breweries could be anticipated with the enacting of this bill if it were passed. **Mr. Racicot** said there were a number of micro-breweries in the state that have already circumvented the law in some manner to provide themselves with a brew pub. There are twelve breweries in Montana now.

REP. ELLINGSON said as wineries were concerned, they could only sell the wine which was produced on premises but under this legislation a brew pub would be able to sell any beer it wished to sell if a license were available. **REP. HARPER** said yes. That is one of the areas of compromise which **REP. COCCHIARELLA** was referring to earlier. This could be explored further. Some

people do not like to drink heavier beers and this was the way the bill was introduced.

REP. SIMON asked what the brew pub people would be licensed to do and what they would not be licensed to do. If a person had one of these proposed licenses they would be able to sell their own product on premises and would they also be able to sell other brewers products? Would they also be able to sell wine? Would they be allowed to have gaming? Would they be allowed to be the license holder of an all-beverage license and be a licensed holder of a brew pub license? **Mr. Staples** said yes, they would be able to sell other brewer's products. They would not be able to sell nor would they be allowed gaming. He did not know the answer to the question regarding holding a all-beverage license plus a brew pub license.

REP. SIMON said currently there is a prohibition against holding two different licenses and this would change that relationship.

REP. ROSE FORBES said she had been thinking about a bill which was recently heard about restaurants that wanted to serve beer and wine. If this bill were to pass, could the restaurants have a micro-brewery and bring the food in later. How would this affect them? **Mr. Staples** said yes, the other side would need to make an investment in the micro-brewery. There is dissatisfaction as to the barrel maximum, and the hours. Even the proponents don't like the limitations which are being placed on the bill and how soon will they get eroded.

REP. LARSON said Kessler Brewery had brewed 3,300 barrels a year and they had 118 accounts. What percent of the manufactured products stay in Montana? **Mr. Shellhart** said 70%. **REP. LARSON** asked if they perceived if that is the big market or the local Montana market is their goal. **Mr. Shellhart** said he perceived the local market is the potentially best market. The logistics are much easier to market on a local basis than out of state.

REP. LARSON asked what states around Montana is their export point. **Mr. Shellhart** said Wyoming, Idaho, Washington, Oregon and as far away as Wisconsin and Colorado. They do not sell beer to Canada because of the restrictions and the duty to the product is high and effectively keeps them out of the market.

REP. COCCHIARELLA stated **Mr. Racicot** had said that certain hops had circumvented the law. They use the law the way it is and is not a circumvention. She said the Missoula brewers had complied with the law and have not done any "back door deals" or anything else.

REP. KEENAN said it had been stated that this is a different kind of industry. There has been an attempt to distinguish between the micro-brewers and the competing business of the quota system with the beer and wine licenses, the limited hours of operation and not wanting to compete with the bars. Yet, the 11:00 pm closing was appropriate and this is clearly a bill which was

designed to infiltrate the beer and wine quota system and the established licensing of bars and taverns and the selling of food. **REP. HARPER** said the one point the two industries conflict is the consumption on premises. It is unavoidable but when people drink beer and watch ball games, putting a time limit earlier does not really make sense. Perhaps that is not an appropriate reason but the idea of putting an earlier closing was to make sure there was no competition on the tavern hours. The business is still different because it involves the manufacture of a product.

REP. KEENAN there is talk about the product being sold in an un-packaged form in which a consumer supplies the container for the malt beverage. **REP. HARPER** said yes.

REP. OHS questioned the selling of the breweries beer. **REP. HARPER** said he will leave that in the hands of the committee but in his opinion, to put the breweries on an equal footing with the wineries is an argument which had been used in literature.

Closing of sponsor:

The sponsor closed.

HEARING ON SB 327

Opening Statement by Sponsor:

SEN. TERRY KLAMPE, SD 31, Ravalli County, said this bill was an act revising the licensure requirements for chiropractors, adding proof of a bachelor's degree as a requirement and allowing an exemption for a person licensed in another state or enrolled in an accredited chiropractic college.

Proponents' Testimony:

Christopher Brezan, Board of Chiropractic, stated his support of the bill and said this was a progressive bill. He further discussed the educational requirements which are in effect now and the new language in the bill requiring a bachelor's degree before entrance into a chiropractic school.

John Sands, Montana Chiropractic Association, said he supported this bill.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

REP. SIMON asked for examples of someone who does not have a bachelor's degree, practicing chiropractic medicine in Montana or

elsewhere which they feel is not qualified because of their lack of having a bachelor's degree. **Dr. Brezan** said he could not give names but he had met a number of practitioners over the years who he felt were rather young and somewhat immature to be in this profession. He said chiropractors get some very emotional patients, people who are distressed due to personal problems. It is helpful to have someone that is more seasoned, more mature to be able to help them and guide them in the direction they need to go to answer some of those questions.

REP. SIMON asked if they were suggesting an age requirement and say a person could not be a chiropractor until they were 25. **Dr. Brezan** said no because most chiropractors will be that age anyway. The national associations are already encouraging state boards to adopt these kinds of rules and regulations.

REP. SIMON said that M.D.'s are not required to have bachelor degrees. **Dr. Brezan** said if the medical community were polled, 95% of them do have a bachelor's degree. The trend seems to be going to the advanced education. Health care requirements are changing and they want the person to be a little more educated whether it is specifically for that field or generally.

REP. COCCHIARELLA said physical therapists go to school at least five or six years to get an actual degree in physical therapy. They are not listed on the list of treating physicians for workers' compensation. There are chiropractors who don't have a four year degree who have listed themselves as being physicians for workers' compensation. They exist. There is no provision in the bill for grandfathering those people who are practicing now. What is going to be done about that issue. **REP. KLAMPE** said the people who are currently practicing are grandfathered.

REP. PAVLOVICH asked if continuing education were required. **REP. KLAMPE** said that was in addition to acquiring their chiropractic education.

REP. DAVID EWER said there was talk of maturity. Is an internship required to be a licensed chiropractor in Montana? Is the trend for schools for chiropractic training setting requirements for bachelor degrees for admission to chiropractic schools. **Dr. Brezan** said there was an internship period which is done in the college clinic where the person is attending school. He said yes to the second question.

VICE CHAIRMAN MILLS said he was distressed about the failure of an answer which would tell the committee why this additional education is required except for the age and maturity of the practitioner. Is the chiropractor going to learn what will help them be better chiropractors. **Dr. Brezan** said if a B.A. or B.S. degree were required they will take more courses in fields which are related to chiropractic.

Closing by Sponsor:

The sponsor closed.

VICE CHAIRMAN MILLS relinquished the Chair back to CHAIRMAN SIMON

EXECUTIVE ACTION ON SB 239

Motion: REP. PAVLOVICH MOVED SB 239 BE CONCURRED IN. REP. PAVLOVICH MOVED THE AMENDMENTS.

Vote: Motion carried to adopt the amendments 18-0.

Motion/Vote: REP. PAVLOVICH MOVED SB 239 BE CONCURRED IN AS AMENDED. Motion carried in favor 18-0.

EXECUTIVE ACTION ON HB 567

Motion/Vote: REP. FORBES MOVED HB 567 DO PASS. REP. FORBES MOVED THE AMENDMENTS. Motion carried to adopt the amendments.

Motion/Vote: REP. FORBES MOVED HB 567 DO PASS AS AMENDED. Motion carried 18-0.

EXECUTIVE ACTION ON SB 327

Motion: REP. PAVLOVICH MOVED SB 327 BE CONCURRED IN.

Discussion:

REP. LARSON said he supported the bill and said there is a need for continuing education in the chiropractic business.

TAPE 2, SIDE B

REP. JACK HERRON said he opposed the bill because a person goes to four years of school and then chiropractic school and having known a recent graduate from chiropractic school, this student found it necessary to move to Alaska in order to repay his debts because Montana would not allow a recent chiropractor to establish a new business.

REP. MILLS said no one said what the further education was going to be from the testimony on the bill. If this additional education will give them more classes in health care and related fields to better do their job or does it mean just get a degree and then go to chiropractor school.

REP. EWER said he was not going to support the do pass motion. He said the actual licensure requirements do not require a bachelor of arts degree. As far as people not being sufficiently

mature, perhaps internship should be considered but that is not in the bill. This is not the right place for this legislation and this goes against his philosophy of regulation.

REP. MARSHALL said he supported this bill. The chiropractors have done a very good thing for him. Building themselves into a better reputation and a better knowledge is what they are doing.

REP. COCCHIARELLA said she knew of the horror stories of some of the chiropractors work that has been used in the workers' compensation system. A bachelor's degree will improve that. Anything they can do to improve their ranks and make them more educated will help protect them in the workers' compensation arena, in the health care arena and elevate that profession to something that can have more respect. They are borderline now as far as credibility. It will help their profession be professional.

REP. ELLINGSON said he favored the bill but was not entirely satisfied with the requirement in the proposed legislation to require a bachelor's degree because it may be a degree in social dancing and that will not be directly related to chiropractic. Despite that reservation, he supported the bill.


Vote: Motion carried in favor of SB 327. A roll call vote was taken which carried 14-4 with REPS. SIMON, EWER, HERRON and KEENAN voting no.

ADJOURNMENT

Adjournment: 11:35 AM.



BRUCE T. SIMON, Chairman



ALBERTA STRACHAN, Secretary

BTS/ajs

HOUSE OF REPRESENTATIVES

Business and Labor

ROLL CALL

DATE 3-1-95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Bruce Simon, Chairman	X		
Rep. Norm Mills, Vice Chairman, Majority	X		
Rep. Bob Pavlovich, Vice Chairman, Minority	X		
Rep. Joe Barnett	X		
Rep. Vicki Cocchiarella	X		
Rep. Charles Devaney	X		
Rep. Jon Ellingson	X		
Rep. Alvin Ellis, Jr.	X		
Rep. David Ewer	X		
Rep. Rose Forbes	X		
Rep. Jack Herron	X		
Rep. Bob Keenan	X		
Rep. Don Larson	X		
Rep. Rod Marshall	X		
Rep. Jeanette McKee			X
Rep. Karl Ohs	X		
Rep. Paul Sliter	X		
Rep. Carley Tuss	X		

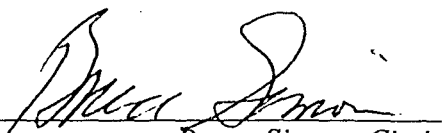


HOUSE STANDING COMMITTEE REPORT

March 1, 1995

Page 1 of 2

Mr. Speaker: We, the committee on Business and Labor report that Senate Bill 239 (third reading copy -- blue) be concurred in as amended.

Signed: 
Bruce Simon, Chair

Carried by: Rep. Ellingson

And, that such amendments read:

1. Page 1, line 12.

Strike: "generally available"

2. Page 1, line 13.

Following: "weeks."

Insert: "However, if the brand of beer for which the wholesaler is appointed is a product of a brewer or beer importer whose products are not generally available, the wholesaler shall, at least every 3 weeks, call on and offer that brand to as many retailers within that territory as is reasonably possible given the amount of that brand that is available to the wholesaler."

3. Page 1, lines 18 and 19.

Following: "section," on line 18

Strike: the remainder of line 18 through "year," on line 19

Insert: "a brewer or beer importer's products are not generally available if:

(a) all of the brands of a brewer or beer importer shipped to a wholesaler during the most recent calendar quarter total less than 600 barrels;

(b) all of the brands of a brewer or beer importer

Committee Vote:

Yes 18, No 2.

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shipped into the state total less than 1,200 barrels in each of the 2 consecutive preceding calendar quarters; and

(c) all of the brands produced by the brewer at all of its facilities total less than 150,000 barrels per year."

-END-



HOUSE STANDING COMMITTEE REPORT

March 1, 1995

Page 1 of 2

Mr. Speaker: We, the committee on **Business and Labor** report that **House Bill 567** (first reading copy -- white) **do pass as amended.**

Signed: _____

Bruce Simon, Chair

And, that such amendments read:

1. Title, lines 8 and 9.

Strike: "PROVIDING THAT ADMINISTRATIVE FEES MAY NOT BE CHARGED TO THE QUALIFIED MONTANA SMALL BUSINESS INVESTMENT CAPITAL COMPANY;"

2. Title, line 10.

Following: "CREDITS;"

Strike: "ELIMINATING"

Insert: "CLARIFYING"

3. Title, line 16.

Strike: "90-8-106,"

4. Page 3, line 26 through page 4, line 1.

Strike: section 3 in its entirety

Renumber: subsequent sections

5. Page 8, line 1.

Strike: "No recapture"

Insert: "Recapture provisions"

Following: "(1)"

Insert: "(a)"

6. Page 8, following line 5.

Committee Vote:

Yes 17, No 0.

481412SC.Hbk

Insert: "(b) If the amount invested by a taxpayer in the qualified Montana small business investment capital company is not used by the company for qualified investments as provided in 90-8-301, the taxpayer is subject to a recapture provision for any tax credit claimed by the taxpayer in accordance with provisions adopted by the department of revenue."

7. Page 10, line 3.

Following: ";"

Strike: "and"

Insert: "or"

8. Page 10, line 16.

Following: "makes"

Strike: "an"

Insert: "its first"

9. Page 12, line 25.

Strike: "or"

10. Page 12, lines 27 and 28.

Following: "administration"

Insert: "; or (c) requests decertification"

-END-



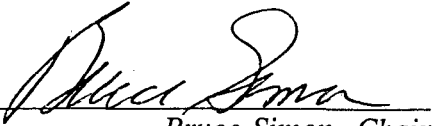
HOUSE STANDING COMMITTEE REPORT

March 1, 1995

Page 1 of 1

Mr. Speaker: We, the committee on **Business and Labor** report that **Senate Bill 327** (third reading copy -- blue) **be concurred in.**

Signed: _____


Bruce Simon, Chair

Carried by: Rep. Ellis

Ellis
3/1

Committee Vote:
Yes 14, No 4.

481414SC.Hbk

HOUSE OF REPRESENTATIVES
BUSINESS AND LABOR COMMITTEE

ROLL CALL VOTE

DATE 3-1-95 BILL NO. SB 327 NUMBER _____

MOTION: To pass as amended

NAME	AYE	NO
Rep. Bruce Simon, Chairman		✓
Rep. Norm Mills, Vice Chair, Maj.	✓	
Rep. Bob Pavlovich, Vice Chair, Min.	✓	
Rep. Joe Barnett	✓	
Rep. Vicki Cocchiarella	✓	
Rep. Charles Devaney	✓	
Rep. Jon Ellingson	✓	
Rep. Alvin Ellis, Jr.	✓	
Rep. David Ewer		✓
Rep. Rose Forbes	✓	
Rep. Jack Herron		✓
Rep. Bob Keenan		✓
Rep. Don Larson	✓	
Rep. Rod Marshall	✓	
Rep. Jeanette McKee	✓	
Rep. Karl Ohs	✓	
Rep. Paul Sliter	✓	
Rep. Carley Tuss	✓	

Amendments to Senate Bill No. 239
Third Reading Copy

Requested by Senator Fred Van Valkenburg
For the Committee on Business and Labor

Prepared by Stephen Maly
February 28, 1995

1. Page 1, line 12.

Strike: "generally available"

2. Page 1, line 13.

Following: "weeks."

Insert: "However, if the brand of beer for which the wholesaler is appointed is a product of a brewer or beer importer whose products are not generally available, the wholesaler shall, at least every 3 weeks, call on and offer that brand to as many retailers within that territory as is reasonably possible given the amount of that brand that is available to the wholesaler."

3. Page 1, lines 18 and 19.

Following: "section," on line 18

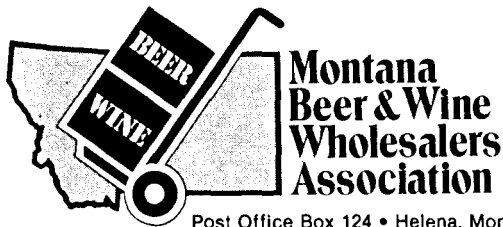
Strike: the remainder of line 18 through "year." on line 19

Insert: "a brewer or beer importer's products are not generally available if:

(a) all of the brands of a brewer or beer importer shipped to a wholesaler during the most recent calendar quarter total less than 600 barrels;

(b) all of the brands of a brewer or beer importer shipped into the state total less than 1,200 barrels in each of the 2 consecutive preceding calendar quarters; and

(c) all of the brands produced by the brewer at all of its facilities total less than 150,000 barrels per year."



Post Office Box 124 • Helena, Montana 59624 • Telephone (406) 442-4451

EXHIBIT 2
DATE 3-1-95
~~SB~~ SB 239

MONTANA BEER & WINE WHOLESALERS ASSOCIATION
STATEMENT IN SUPPORT OF PROPOSED AMENDMENTS TO SB 239
March 1, 1995, House Business and Labor Committee

SB 239 would exempt distributors of micro brews from the statutory requirement that distributors call on 75% of the retailers in their territory at least every three weeks. The Montana Beer & Wine Wholesalers Association opposed this bill in the Senate. After lengthy discussions between the principals of Vehr's Mountain State Beverage (a micro brew distributor from Missoula) and the Montana Beer & Wine Wholesalers Association, the language which is the subject of the proposed amendment was prepared.

Although the Montana Beer & Wine Wholesalers Association vigorously opposed SB 239 as originally drafted, the bill, as amended, would protect the integrity of the call ratio statute as well as allow micro brew distributors to sell and deliver their products without an undue burden.

The call ratio statute was enacted in 1987 in response to the situation where knock off brands were being produced for large retailers. These knock off brands were sold only to the large retailers. This was contrary to the concept of interbrand competition which is the basis of our three-tier system of alcohol distribution. This system ensures that the various wholesalers, competing head-to-head in exclusive territories, would maintain a competition based price for beer along with the variety, quality and quantity the consumer expects, demands and deserves.

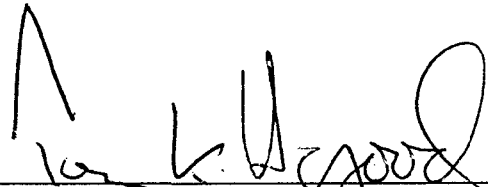
In calling on only a few selected large retailers, the wholesaler drastically cut its operating costs and obtained an artificial advantage over the distributors in the same area who called upon, sold to, and delivered beer to all retailers in the area. Additionally, the small retailer was put at an unfair competitive advantage with the large retailer by the fact that the knock off brand distributor did not call upon that small retailer.

The call ratio statute remedied this situation by requiring all distributors to call upon and sell to 75% of the retailers in their area at least every three weeks. The statute had the intended effect of engendering fair interbrand competition between all distributors in an area and has in fact maintained reasonable beer prices along with outstanding quantity, quality and freshness. Additionally, the small retailer has been

afforded the same competitive advantages as the large retailer is allowed.

The sound public policy of maintaining healthy interbrand competition is protected by the amendatory language. At the same time, the micro brew distributor is allowed to conduct his or her business without the burden of meeting the requirements of the call ratio statute when to do so would cause the performance of a meaningless act.

Respectfully submitted.

A handwritten signature in black ink, appearing to read "Tom K. Hopgood", written over a horizontal line.

Tom K. Hopgood, Executive Secretary
Montana Beer & Wine Wholesalers
Association

EXHIBIT 3
DATE 3-1-95
HB 567

Amendments to House Bill No. 567
First Reading Copy

Requested by Rep. Chase Hibbard
For the Committee on Business and Labor

Prepared by Stephen Maly
February 28, 1995

1. Title, lines 8 and 9.

Strike: "PROVIDING THAT ADMINISTRATIVE FEES MAY NOT BE CHARGED TO
THE QUALIFIED MONTANA SMALL BUSINESS INVESTMENT CAPITAL
COMPANY;"

2. Title, line 10.

Following: "CREDITS;"

Strike: "ELIMINATING"

Insert: "CLARIFYING"

3. Title, line 16.

Strike: "90-8-106,"

4. Page 3, line 26 through page 4, line 1.

Strike: section 3 in its entirety

Renumber: subsequent sections

5. Page 8, line 1.

Strike: "No recapture"

Insert: "Recapture provisions"

Following: "(1)"

Insert: "(a)"

6. Page 8, following line 5.

Insert: "(b) If the amount invested by a taxpayer in the
qualified Montana small business investment capital company
is not used by the company for qualified investments as
provided in 90-8-301, the taxpayer is subject to a recapture
provision for any tax credit claimed by the taxpayer in
accordance with provisions adopted by the department of
revenue."

7. Page 10, line 3.

Following: ";"

Strike: "and"

Insert: "or"

8. Page 10, line 16.

Following: "makes"

Strike: "an"

Insert: "its first"

9. Page 12, line 25.

Strike: "or"

10. Page 12, lines 27 and 28.

Following: "administration"

Insert: "; or (c) requests decertification"

EXHIBIT 4
DATE 3-1-95
HB 567

MONTANA HOUSE OF REPRESENTANTIVES

Business and Labor Committee - March 1, 1995 8:00AM

Jon Marchi's testimony in favor of House Bill 567 - "An Act Revising the Laws Governing the Qualified Montana Small Business Investment Capital Company ... "

Ladies and Gentleman:

My name is Jon Marchi. I presently serve as the President of the Montana Small Business Investment Company. I have been active in state and local economic development efforts for the past twelve years. I sit on several economic development organization boards such as the Montana SBA Advisory Board, the Montana Private Capital Network, the Montana Business Connections (formerly the Montana Entrepreneurship Centers), the Center for Economic Renewal and Technology Transfer at MSU, and the Montana Community Finance Corporation. I also sit on a few corporate boards.

From my perspective and experience in being involved with our economic development efforts for the past several years I am pleased to say that Montana is finally building an infrastructure that is having a positive impact on our state's economy. The Montana Science & Technology Alliance paved the way ten years ago. In addition, we now have the Microbusiness program, the highly effective CDBG program, the Montana Private Capital Network with over 1300 matches between Montana businesses and investors in the past two years, and the newly funded Northern Rockies Fund with \$2,000,000 - Montana's first active venture capital firm in some time. What we do not have is a SBIC.

Four years ago this legislature amended the capital companies statute which provided for the allocation of the remaining capital company tax credits to a single certified Montana SBIC. Three years ago the Montana Department of Commerce certified the SBIC that myself and several others had been working on which included substantial financial assistance from six private sector companies throughout our state. Two years ago the SBIC received a \$1,000,000 committment from MSTTA with certain stipulations. Fifteen months ago the head SBA legal office in Washington D.C. told us that they could not approve a SBIC in Montana because both our capital company and MSTTA statutes conflict with the federal statutes and rules. At that time we simply quit working and waited for the 1995 legislature to convene so we could "clean up" our state statutes to be compatible with the federal requirements.

March 1, 1995

HB 567 provides for the following changes:

1. Changes the venture capital company part of the MSTA statute to require (as opposed to allow) debt to be repaid in the same proportion as any paybacks made to any other investors or lenders. In other words, MSTA's position will be no better or worse than any other investor or lender.
2. Basically changes the capital companies act to say that only for SBIC's under this act federal laws and rules have precedence over state laws and rules.
3. Extends the tax credits for two more years to July 1, 1997. (We simply need the time.)

Thank you. Your support for this bill is most appreciated.

Testimony
of
Evan D. Barrett
Executive Director, Butte Local Development Corporation
Board Member, Montana Economic Developers Association
Vice President, Montana Small Business Investment Capital Company
on
behalf of those organizations
in support of
HB 567

Mr. Chairman, members of the Committee, My name is Evan Barrett. I am the Executive Director of the Butte Local Development Corporation, a Board Member of the Montana Economic Developers Association, and Vice President of the Montana Small Business Investment Capital Company.

The Butte Local Development Corporation strongly supports this bill. Perhaps more importantly, the Montana Economic Developers Association supports the bill. That association represents over 60 economic development professionals across the state representing almost all of the economic development organizations in Montana. We who are actively engaged in the effort to create economic growth recognize the importance of having available a number of different sources of economic development capital. And today, one of the important sources -- an SBIC -- is not available in Montana. Passage of this bill will help us to fill that capital gap.

You have already heard testimony from Jon Marchi, President of the MSBICC, in support of this bill. I would like to echo his statements and provide you with some background information to help you place this bill in an historical perspective.

1983 -- Capital Companies Act Enacted

In 1983 the legislature created the Capital Companies Act. It's purpose was stated as follows: "to encourage the formation of venture and equity capital in Montana for use in diversifying, strengthening, and stabilizing the Montana economy by increasing Montana employment and business opportunities."

It provided a 25% tax credit for investments made into Montana Capital Companies and was administered by the Montana Economic Development Board.

1987 -- Tax Credits Expanded

In the first three years under the law, it was found that the 25% tax credit had not stimulated the investment that had been anticipated in the Capital Companies Act. Because the legislature believed in the Capital Company approach, the 1987 legislature expanded the tax credit so that a 50% tax credit was available for investments in Montana Capital Companies. Administration of the program was placed with the Montana Board of Investments when the Economic Development Board and the Board of Investments were merged in Fiscal Year 1988.

Those changes stimulated significant investment into Capital Companies.

Over the years, the legislature authorized tax credits in the following amounts:

1985 biennium	\$1 million
1987 biennium	\$1 million
1989 biennium	\$3 million
1991 biennium	\$3 million

At the end of the 1991 biennium, approximately \$2 million of the tax credits remained unused.

1990 -- Implementation of Act Criticized

While many capital companies developed appropriately and followed both the letter and the spirit of the law, some tried to "cut corners" and engaged in what some called "self-dealing". A report by the Legislative Fiscal Analyst on the Montana Capital Companies Act was completed in August of 1990 and was critical of certain aspects of the program.

Because of the Report, in late 1990 the Department of Commerce and the Board of Investments decided to suspend the allocation of the remaining \$2 million in tax credits

1991 -- Montana Small Business Investment Capital Company Enacted

Economic development officials worked with the Department of Commerce, the Board of Investments, and the financial community to see if there was any way to put those final \$2 million in tax credits into productive use to benefit the economy of Montana.

Montana was one of only a few states that did not have a Small Business Investment Company authorized by the federal Small Business Administration. SBICs, as they are called, are a well-established and successful vehicle for providing development capital all across America.

So HB 863 was brought to the 1991 Legislature, which enacted it by a vote of 96-3 in the House and 48-0 in the Senate. The bill called for:

- creation of a Montana Small Business Investment Capital Company
- designation by the Department of Commerce of a truly statewide company to be the MSBICC
- allocation of the remaining state Capital Company tax credits to the MSBICC
- requirement that the MSBICC seek to secure federal SBA designation as a SBIC
- creation of a window to use the tax credits by July 1, 1995
- provision that the strong SBA regulations against self-dealing would apply to the MSBICC

The legislature wanted the tax credits to leverage additional private investment, federal capital and private debt to create millions in development capital to help finance the development of the Montana economy.

1992-94 -- SBA Rule Changes Take Place

As was noted by Jon Marchi, the SBA underwent significant changes in their rules between 1992 and 1994. Those changing rules made it impossible for the MSBICC to seek the private investment that would utilize the state tax credits.

1995 -- Revisions Sought to Meet SBA Changes and to Extend Tax Credit Window

So here we are at the 1995 session, needing to modify the statute to fit with the changes in SBA rules -- changes that, by the way, are advantageous to small states like Montana -- and to extend the tax credits for two more years so that the MSBICC can seek the private investment it needs to make this concept into a reality to the benefit of all of Montana.

Now that you have the knowledge of the history that is behind this bill, on behalf of the MSBICC, the Butte Local Development Corporation, and the Montana Economic Developers Association, I urge you to support it.

Thank you.

Legislation Fact Sheet

HB 554 will allow stateup of an industry to add value to raw products. The following provides an outline from the Montana Brewers Association (MBA) detailing how HB 554 will provide jobs, stimulate economic growth and free home brewers to a legal status.

HB 554 will provide for the following:

1. Brew Pubs will serve only beer and malt-beverage products.
2. No wine or liquor products will be sold.
3. No gambling will be allowed.
4. Brew pubs will only serve from 11am to 11pm.
5. Brew pubs must produce at least 300 barrels a year.
6. Brew pubs can not produce more than 20,000 barrels a year.
7. HB 554 will clarify MCA 16-3-201 presently prohibiting home-brewing.
8. By increasing awareness of micro brews, brew pubs will enhance sales of micro brews for distributors, breweries and taverns.
9. Will allow beer and wine and all-beverage license holders to obtain a brewers license.
10. Will allow brewers to obtain a beer and wine and all-beverage license.
11. Will put wineries and breweries on a level playing field by allowing both to sell and serve their products at retail on premise (MCA 16-3-411).
12. Will allow Montana to become the 48th state to allow brew pubs to operate.

Montana should not be the last state to free itself of these regulations. There is no reason we should not allow our brewers a chance to sell their products in a value added retail setting.

Agricultural Fact Sheet

The following outline details the agricultural impact the brewing industry has and may have if HB 554 is passed in the Montana Legislature.

Currently:

1. In 1994 the Kessler Brewery purchased \$50,000 worth of out-of-state malted grain used in their beer.
2. Malting Barley is currently grown in Montana, malted out of state, and shipped back to local brewers.
3. A Helena area rancher currently raises 8 cow and calf units on spent grain from the Kessler Brewery.
4. Combined with wheat by-products, many companies use spent grain to manufacture pet food products.
5. The Spent Grains Baking Company in Washington uses spent grains from the local brewers to produce 100% natural baked goods.
6. Farmers receive \$3.00 per bushel for Malting Barley. The malting plants receive \$11.50 per bushel.
7. Ideally, wheat and barley grown in Montana would be malted in Montana, brewed in Montana and baked and consumed in Montana.

In addition there will be job creation and other positive secondary impacts.

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB554, as Introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act relating to small breweries, home brewing, and in-state breweries; authorizing the retail sale of beer and malt beverages by small breweries; prohibiting gambling and establishing hours of operation in a small brewery licensed for retail beer sales; providing that a license for retail sale of beer at a brewery may be held in conjunction with other licenses issued under Title 16, Chapter 4; providing for the administration of the license; authorizing home brewing that meets the requirements of federal law; clarifying that in-state brewers are required to have a license even if they make no in-state sales of beer.

ASSUMPTIONS:

1. Currently, there are 10 microbreweries operating in the state.
2. Providing for the legal practice of homebrewing will not reduce consumption of other sources of beer beyond that occurring now as a result of current homebrewing activity.

FISCAL IMPACT:

Expenditures:

This bill has no impact on Department of Revenue administrative expenses.

Revenues:

License fees for microbreweries will increase a maximum of \$2,500 under this proposal, assuming that each of the existing microbreweries purchases a license to allow for retail sales of beer at the brewery.

EXHIBIT 6
DATE 3-1-95
HB554

1993 Volume Sales 31 Gallon Barrels

(As reported in 5/16/94 Edition of "Modern Brewery Age")

Kessler Brewing Company is the largest of the 12 breweries in Montana. Kessler has 113 on-premise accounts (on-premise accounts are taverns, restaurants, etc.) for its products. There are currently 1856 active beverage licenses in Montana which means less than 6% of tavern and restaurant owners support Montana's brewing industry.

Overall, the craft brewing industry holds only 3% of the entire beer market in the US. Craft or micro brews in Montana market share sales are even less than measurable. The fiscal note agrees that current consumption of other sources of beer will not decline as regulations are eased.

<u>Brewer's Name</u>	<u>Sales (31 Gallon Barrels)</u>	<u>1993 Market Shares Sales</u>
Anheuser-Busch	87,300,000	45.95%
Miller Brewing	44,024,000	23.17%
Adolph Coors	19,828,000	10.44%
Stroh Brewery	12,825,000	6.75%
G. Heilman Brewing	8,900,000	4.68%
Genessee Brewing	2,150,000	1.13%
Falstaff, Pearl & General	1,000,000	.53%
Sierra Nevada Brewing	104,325	.05%
Anchor (Steam) Brewing	92,000	.05%
Pete's Brewing	75,000	.04%
Red Hook Ale	73,810	.04%
Widmer Brewing	40,519	.02%
Full Sail Brewing	38,159	.02%
Portland Brewing	16,600	.01%
Bridgeport Brewing	16,020	.01%
Alaskan Brewing	10,000	.01%
Celis Brewing	10,000	.01%
Rogue Ales	9,887	.00%
Deschutes Brewing	8,564	
Hales Ales	8,366	
Yakima Brewing	8,000	
Thomas Kemper Brewing	6,925	
Kessler Brewing (Helena, MT)	3,300	
Couer d'Alene Brewing	2,425	
Brewski's Gaslamp	1,905	
Bayern Brewing (Missoula, MT)	1,900	
Spanish Peaks Brewing (Bozeman, MT)	875	

Many more than the above listed beers are being distributed in Montana.

Montana Brewers Association

Post Office Box 406
Helena, Montana 59624
406-449-6214

March 1, 1995

Dear Chairman Simon and Committee Members,

On behalf of the Montana Brewers Association I present to you the following outline detailing why HB 554 is necessary for Montana's brewing industry and Montana itself. HB 554 will provide jobs, stimulate economic growth and free home brewers to legal status.

HB 554 will allow:

1. breweries to sell beer and malt-beverage products at retail price.
2. beer and wine and all-beverage license holders to obtain a brew pub license.
3. brewers to obtain a beer and wine and all-beverage license.
4. modify MCA 16-3-201 presently prohibiting home-brewing.
5. increase the awareness of micro brews and therefore enhance sales for breweries, distributors and taverns.
6. Montana to become the 48th state to grant brew pubs the right to operate.

A Brew Pub will not be able to:

1. sell wine or liquor products without buying a beer and wine or all beverage license.
2. provide gambling.
3. serve it products before 11am or after 11pm.

Breweries must:

1. produce at least 300 barrels a year to have a brew pub.
2. produce no more than 20,000 barrels a year to have a brew pub.

What will happen if HB 554 does not pass:

1. A number of breweries in Montana will be forced to move out of state.
2. Montana will have denied another industry.
3. Home-brewing will continue to be outlawed and inconsistent with federal statute.
4. Possibility of a violation of the equal protection clause.

With HB 554, Montana's breweries will be able to operate as Montana's wineries do, (MCA 16-3-411). Montana should not be the last state to free itself of hindering regulations. There is no reason we should not allow our brewers a chance to sell their products in a value added retail setting. **Let us focus on what will work - and not what might not work!**

Thank you for your interest and willingness to help this effort. I assure you it will pay great dividends.

Sincerely,



Chris Racicot

HB 554 - PROPONENT

**DUANE H. MADSEN
PRESIDENT/CFO
INTER-MOUNTAIN LABORATORIES, INC.
/DBA KESSLER BREWING COMPANY**

Inter-Mountain Laboratories, Inc. (IML) purchased the bankrupt Kessler Brewing Company from the Federal Bankruptcy Court in November of 1992. IML has operated the Kessler Brewery for approximately twenty-six (26) months. During this time, an effort has been made to promote the Kessler name and heritage for the state of Montana and, especially, for the Helena community.

I want to talk about dollars. In the twenty-six months that IML has owned the Kessler Brewing Company, we have covered losses at the brewery of \$439,385.01. That's an average monthly loss of \$16,899.42. In 1994, Kessler produced 3,200 barrels of beer which resulted in revenues of \$350,330.92; losses recorded for 1994 were \$152,464.89. I am providing these figures to demonstrate how difficult it is for a small craft brewery to remain in operation. We have estimated that break even will occur for Kessler when we reach an annual production of 5,000 barrels.

So, how will HB 554 help Kessler? It's a matter of economics. The \$350,330 in revenue for 3,200 barrels of beer translates to \$109,478 per 1,000 barrels (which, incidentally, requires approximately \$50,000 in packaging). In a brewpub, 1,000 barrels will produce a revenue of \$600,000 with no packaging costs. Our competitors in all the surrounding states use their brewpubs to generate profits which allows them to spend more on marketing their products. We want a chance to compete with out-of-state breweries. If we were brewing beer in any other state west of the Mississippi, we would be allowed to operate a brewpub. Why should choosing Montana as a place to do business put us at a disadvantage?

I grew up in northeastern Montana, and, even today, I can't look at a bag of malted barley without remembering that barley dust itch at harvest time. But I find myself wondering why we have to order our malted barley from Wisconsin or Washington. If this legislature really believes in the Value Added concept, and I know that you do, then you need to address the needs of the microbreweries in the state, because we can't brew beer without barley. We fit the definition of a Value Added business.

We're serious enough about the Kessler project to have invested over a million dollars into it. And we haven't realized a return as yet. We're asking for your help on this one. You can help Kessler succeed by passing this bill.



EXHIBIT 9
DATE 3-1-95
HB 554

HOUSE OF REPRESENTATIVES

Business & Labor - COMMITTEE

WITNESS STATEMENT

PLEASE PRINT

NAME Jennifer Ballard-Rock'n M Brewing BUDGET _____

ADDRESS 401 E. Main Belgrade, MT 59714 DATE 3/1/95

WHOM DO YOU REPRESENT? Bill HB554

SUPPORT X OPPOSE _____ AMEND _____

COMMENTS: In no other Montana enterprise is there such restrictions on business and employees of a corporation, ^{and} on free trade of a manufactured product. In Montana products are proudly manufactured by employees and can be purchased without going through a middle man. Why not beer as it was in the past? I urge you to give free enterprise a chance and support HB554.

Thank you Mr. Chairman & members of the assembly.

NAME John Campbell
ADDRESS 655 Lang Creek Road, Missoula, Mt 59925
HOME PHONE 406 858-2200 WORK PHONE Same
REPRESENTING Lang Creek Brewery
APPEARING ON WHICH PROPOSAL? HB 554
DO YOU: SUPPORT OPPOSE AMEND

COMMENTS:

1. Good for the State: Brew Pubs would allow us to compete on an equal footing with 47 other states that have passed similar bills. The N.Western U.S. is by far the fastest growing micro area in the country. We are a state that appeals to tourists. There are books printed today that are oriented strictly for the beer lover ^{brewery} ~~by~~ ^{throughout} the NW. are becoming commonplace
2. Good for the Industry: Brew Pubs are growing in such popularity you could rightfully say it's an explosion of interest in a new industry. Look @ Colo, Ca, Or, Wa. It's moving in our direction. Look at the evidence around us! It will bring our name to our product, thus, more sales.

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

HOUSE OF REPRESENTATIVES

_____ - COMMITTEE

WITNESS STATEMENT

PLEASE PRINT

NAME Juergen Knoeller BUDGET _____

ADDRESS 1750 S. 6th. W, Missoula, MT 59801 DATE 3-1-95

WHOM DO YOU REPRESENT? Bayern Brewing, Inc.

SUPPORT OPPOSE _____ AMEND _____

COMMENTS: _____

- 1.) This law will make it a little bit easier on brewers (if it is hard enough with the regressive property taxes) and allow them to provide good paying jobs in a environmentally safe manufacturing business (low fluctuation of employees).
- 2.) HB 554 is good common sense, ~~the~~ state would not allow this law to be in existence. It is also good business sense to have a free enterprise in a free state.
- 3.) Brewing is a legal manufacturing business with laws to comply with. Why not having the same right like every body that can have a coffee-shop and a thrift-store.
- 4.) This law still brings an advantage to the opponent of this bill, fully licensed bars that can have gambling, wine and hard liquor can obtain brewers license, while brewers only would be able to sell beer. The wholesalers will have additional markets and additional products, because most brewers can produce and ~~do~~ produce more than they

HR:1993
CS16
can consume on their premises and have to sell the rest. Homebrews are private and won't have brewers unless they are licensed and produce > 300 bbl / yr.

PROPONENT TESTIMONY FOR HB-554
by Todd Murphy

Mr. Chairman, members of the committee:

My name is Todd Murphy. I am a Helena home brewer, an entrepreneur, and brewpub owner "want to be". I am co-chairman of the Helena based Lagerheads home brew club.

The passage of HB 544 makes sense for Economic Development reasons.

I have had a complete brewpub business plan for approximately four years now. However, brewpubs are not legal in Montana. In other words, I cannot own both the brewery and the pub. If this legislation is passed I intend to pursue my brewpub dream, and here are a few examples of how my brewpub will benefit the state and the local economy:

- COMMUNITY E/D** - I will invest between \$500,000 and \$1,000,000 - mostly in the local community. Ongoing expenses invested in the community would include printing, distribution, vehicles, food purchases, raw materials, etc..
- JOB CREATION** - I would create jobs. Approximately five jobs at brewery start-up and as many as 25 to 40 jobs with a fully operating brewpub. Payroll would range from \$110,000 during start-up to as much as \$800,000.
- NEW STATE REVENUE** - My state liquor tax (at \$4/ bbl) would range from \$4,000 to \$60,000 in future years. In addition, both income and corporate taxes would add to the state coffers
- INDIRECT E/D** - My brewpub, in addition to others, would be purchasing grain and other raw materials from around the state.

Again, these are just a few examples of economic development! Other brewpubs would also add greatly to the bottom line.

I would encourage all of you to support this bill, because it makes good business sense. It also reduces state regulation, which almost all Montanans are asking for. Please give a "do pass" to HB554.

Thank you for your time.



(2) A winery or table wine distributor shall be deemed to have such a financial interest if:

(a) such winery or table wine distributor owns or holds any interest in or a lien or mortgage against the retailer or his premises; or

(b) such winery or table wine distributor is under any contract with a retailer concerning future purchases and/or sale of merchandise by one from or to the other; or

(c) such table wine distributor extends more than 7 days' credit to a retail licensee or furnishes to any retail licensee any furniture, fixtures, or equipment to be used in the dispensation or sale of table wine; or

(d) any retailer holds an interest as a stockholder, or otherwise, in the business of the table wine distributor.

History: En. Sec. 8, I.M. No. 81, app. Nov. 7, 1978.

16-3-407 through 16-3-410 reserved.

16-3-411. Domestic winery. A winery located in Montana and registered pursuant to 16-4-107 may:

(1) import in bulk, bottle, produce, blend, store, transport, or export wine it produces;

(2) sell wine it produces at wholesale to the department or to wine distributors;

(3) sell wine it produces at retail at the winery directly to the consumer for consumption on or off the premises;

(4) provide, without charge, wine it produces for consumption at the winery;

(5) purchase from the department or its licensees brandy or other distilled spirits for fortifying wine it produces; or

(6) obtain a special event permit under 16-4-301.

History: En. Sec. 1, Ch. 566, L. 1987.

16-3-412 through 16-3-414 reserved.

16-3-415. Definitions. As used in this part, unless the context requires otherwise, the following definitions apply:

(1) "Agreement of distributorship" means a contract, agreement, commercial relationship, license, or other arrangement for a definite or an indefinite period of time between a supplier and a table wine distributor that provides for the sale of table wine by the supplier to the table wine distributor.

(2) "Good cause" means failure by a table wine distributor to comply with reasonable business requirements imposed, or sought to be imposed, by a supplier under the terms of an agreement of distributorship if the requirements are imposed on other similarly situated distributors either by the terms

EXHIBIT 13
DATE 3-1-95
HB 554

Mr. Chairman, members of the committee:

For the record, my name is Brian Smith and I am here to testify in support of HB 554.

I am a home beer-maker as well as a partner in a homebrewing supply business here in Helena. It is unclear in current Montana statute whether or not homebrewing of beer is legal. One part of this bill is asking you to clarify that beer making for personal use in accordance with federal law is legal in Montana. I would estimate that currently there are at least two thousand homebrewers and a dozen businesses selling home beer making supplies in Montana. Please don't let these people down.

This legislation also deals with the "legalization" and creation of a special license for brewpubs. I am sure you will hear testimony from opponents concerning the effects on the quota system and the value of their licenses. Before you make your decision, please think about the following: the craftbrewing industry is growing very rapidly all over this country. Most other states do not have laws that discourage brewpubs. Politicians like to talk about more jobs and encouraging small business growth. Here's your chance. Brewpubs and Microbreweries sell products that are made by Montana workers and small businesses. When you buy a Montana made beer, you're keeping your money right here at home instead of sending it to Golden, Colorado (and you're also probably getting a lot better beer out of the deal too!). You voted to spend 16 million dollars to lure Micron into Montana, all we're asking for is a 250 dollar license. Not only do I ask that you send this bill back to the House with a do-pass recommendation, I also ask that you convince your fellow representatives and Senators to support this legislation. Thank You!

HOUSE OF REPRESENTATIVES

- COMMITTEE

WITNESS STATEMENT

PLEASE PRINT

NAME Kirk Nicholls BUDGET _____

ADDRESS 3875 Kilt Dr Helena DATE 3-1-95

WHOM DO YOU REPRESENT? Home Brewers - I'm a home brewer & citizen

SUPPORT HB554 OPPOSE _____ AMEND _____

COMMENTS: Please support HB554 to Allow Homebrewing.

1. It will allow free Montanans to be free and live our American Heritage=
(hunt, fish, garden, CAN, MAKE jerkey, And brew beer)
2. People who homebrew will still visit Taverns And restaurants - intact
taverns who offer varieties of beer will prosper more; they just need to serve customer needs.
3. Homebrewing is a booming business, and offers Montanans some excellent
small business opportunities.
4. Agribusiness can prosper, as there is a huge demand for products like 2-row
Malting Barley that is now imported (Tennessee is #1 Barley producer and we can use
theirs!
5. Beer markets for homebrew (Denver & Seattle) have seen an increase in business to
all aspects of Malted beverages = Brew Pubs & Taverns Alike.
6. It is Federally legal, and all other states Allow it.
7. Montana Money goes out of state to access product. Keep it here!
8. It does not hurt or restrict anyone - homebrewing helps all in business.
9. Typical homebrewers are not drunkards who have illegal stills; but fair, law-abiding citizens.

Kirk Nicholls 3/1/95

EXHIBIT 15DATE 3-1-95HB 554

FEBRUARY 28, 1995

TO: MONTANA LEGISLATURE MEMBERS OF
THE HOUSE BUSINESS COMMITTEE
RE: HB 554 - "THE BREW-PUB BILL"

DEAR COMMITTEE MEMBERS,

AS THE MANAGER OF J.R.'S LOUNGE, INC.,
A LICENSEE OPERATING IN BELGRADE, MT. FOR
OVER TEN YEARS, WHO HAS PAID FULL
MARKET VALUE FOR A LICENSE TO SELL BEER
IN THIS COMMUNITY, I ADAMATELY OPPOSE
HOUSE BILL #544, WHICH WOULD ESSENTIALLY
PROVIDE TWO MICROBREWRIES IN THE
SAME COMMUNITY WITH FREE BEER

LICENSES TO OPERATE AS TAVERNS
IN BELGRADE.

THE ADDITION OF TWO NEW TAVERNS IN
A COMMUNITY THIS SMALL, WOULD SEVERELY
HINDER AND UNDERMINE THE ABILITY OF
THOSE BUSINESSES WHO HAVE WORKED HARD AND
INVESTED A GREAT DEAL OF MONEY IN THEIR
LICENSES, TO MAINTAIN PROFITABLE OPERATIONS.
ADDITIONALLY, TWO ALL BEVERAGE LICENSES HAVE
MOVED INTO BELGRADE IN THE LAST TWO
YEARS IN AN AREA ALREADY OVERCROWDED
WITH LICENSEES TRYING TO MAKE A PROFIT.

PLEASE DO NOT PASS THIS BILL AND
ALLOW THREE BOWTIEURS A FREE LICENSE

EXHIBIT 16
DATE 3-1-95
HB 554 P 1

FEB 28 '95 07:25PM SMITH BARNEY SHEARSON

2-28-95

Post-It™ brand fax transmittal memo 7671 # of pages ▶ 1

To	MARK STAPLES	From	JERRY PALAGI
Co.		Co.	
Dept.		Phone #	
Fax #		Fax #	

February 28, 1995

Members of the House Business Committee
Montana State Legislature
Helena, MT 59620

RE: House Bill 554
Brew Pub Bill

Dear Members of the Committee:

Boxer's Sport Lounge in Belgrade, Montana has paid full value for our beverage license. Krista and I have supported both our local micro breweries since we opened in 1993 by selling their products to our customers.

We certainly disagree with this bill being passed as it is undermining our business while helping the micro breweries with theirs. Needless to say we are opposed to granting them an on premise license. We feel that Belgrade has more than enough alcohol establishments.

If this Bill does pass we will be forced to no longer carry their products or support these local micro breweries in our community.

Please feel free to call either Krista or I at Boxers, 388-3430 if you have any questions or concerns.

Sincerely,
Krista Palagi
Jerry D. Palagi
Krista Palagi
Jerry Palagi



EXHIBIT 17
DATE 3-1-95
HB 554

February 28, 1995

The House Business Committee

Facsimile Transmission

RE: BREW PUB BILL HB 554

Dear Committee Members:

Please allow me to introduce myself. My name is Mark Taverniti. I am the proprietor and manager of Spanish Peaks Brewery and The Black Dog Ale House and Cafe in Bozeman, Montana. I wish to express my opposition to House Bill 554 on the grounds and for the following reasons.

As with other successful micro breweries, Spanish Peaks is at full capacity and sells and distributes all of the beer which can be produced on site. Much of this success is with local existing licensees, that is to say other bars, restaurants and licensed businesses in the greater Bozeman area which sell and distribute products created at our local brewery. The passage of HB 554 would substantially jeopardize the markets previously developed by Spanish Peaks as well as the other micro breweries whose products are served throughout the local markets.

As I understand HB 554, it would allow a restaurant or other business to obtain a brewery license and then sell to the public those products "in house". The products brewed on location would be sold at the exclusion of all other brands, thus not allowing existing brands the opportunity to compete head-to-head with the on-premise production under the new license category. Additionally, my business, like all other businesses licensed to sell alcohol in the State of Montana, has purchased a license for value. The value of my license is significantly eroded when others are allowed to brew and sell their product at the exclusion of mine without having to obtain at a minimum a beer and wine license in conjunction with a brewer's license.

The present quota system is an excellent means by which the state may police the sales and distribution of alcohol throughout the State of Montana. As it is tied to a quota of population, it is a rational basis by which the state can protect the health, safety and general welfare of the public both in terms of the quality and unadulterated product being on the market, as well as the number of outlets through which the public may acquire alcohol. I believe the current system promotes discipline and order in the hospitality industry and insures quality control over the brewery products

SPANISH PEAKS BREWING COMPANY LTD.

120 N. 19th Avenue • P.O. Box 3044 • Bozeman, Montana 59722 • U.S.A. • (406) 585-2296 • FAX (406) 585-2483



while, at the same time, legitimately restricting distribution of those products.

I believe the affects to the open market and free enterprise system must be considered in light of the impacts HB 554 would have on the existing structure. As an employer of 48 people in the Bozeman area alone, I am concerned about my ability to continue to conduct business as I have in the past if others are allowed to brew and sell their products at the exclusion of mine without having to acquire a license on the open market, making a financial commitment that further insures the public a quality product being served in a proper environment. In the worst case condition, I can envision "bathtub" breweries in restaurants or bars which, in addition to making serious inroads into the micro brewery industry itself, stands to significantly jeopardize the health, safety and welfare of the consuming public.

My understanding of the present statutes in the State of Montana with regard to breweries is that there exists a "tap room exception". This would allow the holder of a brewer's license the ability to dispense samples of product brewed on premises. Because of the existence of the tap room exception, I question the need and appropriateness of HB 554.

My opposition to HB 554 is unrelated to any of the issues involving the gaming industry. Presently, less than 1% of my gross revenue is generated from gaming activities. My business is one of producing the highest quality food and beverage possible which has resulted in a business which continues to thrive and be a viable employer.

Thank you for your time and consideration in reviewing this opposition to HB 554.

Sincerely,



MARK TAVERNITI

SPANISH PEAKS BREWING COMPANY LTD.

120 N. 19th Avenue • P.O. Box 3644 • Bozeman, Montana 59772 • U.S.A. • (406) 585-2296 • FAX (406) 585-2483

EXHIBIT 18
DATE 3-1-95
HB 554 FEB. 28, 1995



113 North Broadway • Billings, Montana 59101 • 406-252-9200

HOUSE BUSINESS COMMITTEE
MONTANA STATE LEGISLATURE
HELENA, MONTANA
RE: HB 554
BREW PUBS

DEAR MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE,
AS A SUCCESSFUL OWNER OF A MICRO BREWERY IN MONTANA I CAN TELL
YOU THAT I HAVE HAD NO INPUT IN THIS BILL; I DO NOT SUPPORT, IN FACT I
FIRMLY OPPOSE HB 554. I URGE YOU TO VOTE NO ON HB 554.
FURTHERMORE, I KNOW OF NO OTHER OWNERS OF MICRO BREWERIES WHO ARE IN
FAVOR OF HB 554!

SINCERELY,
Dan Kon

DAN KONEN
MONTANA BREWING CO.
BILLINGS, MONTANA

 **Golden Spur Casino, Inc.**1014 S. Haynes Avenue • P.O. Box 1184
Miles City, Montana 59801EXHIBIT 19
DATE 3-1-95
HB 554

February 28, 1995

Representative Bruce Simon
House Business & Labor Committee
Capitol Building
Helena, Montana

Dear Committee Members:

I am writing in opposition to HB 554, "Small Brewery Retail Beer Sales". I oppose this bill primarily because it is parochial in it's application and will not benefit "small" brewers. In fact the only "small" brewery that will benefit will be Kessler's in Helena, which happens to be the biggest brewer in the state.

The Golden Spur in Miles City is the home of Milestown Brewing, Inc. We at the Golden Spur have gone to great lengths to accommodate Milestown Brewing both as a landlord and as the primary marketer of their beer. Several other Miles City taverns feature Milestown Beer both because it is an excellent product and because we would like to see this local cottage industry succeed. The prospect of the legislature adding another class of beer license in order to allow brewers to vertically integrate is both a case of biting the hand that feeds them and shooting themselves in the foot. The attendant costs of establishing on premise consumption are beyond most small brewers and would create a business environment in which only the biggest of small brewers could compete. Rather than provide a synergy to expand markets this legislation could cause bar owners who currently buy micro brewed beers to reduce such purchases from their competition thereby constricting small brewers' markets.

In addition the market in Montana currently does not warrant this type of license. Micro brewed beer requires high concentrations of "Yuppies" which are currently confined to larger cities in Montana, Missoula, Bozeman, the Flathead, and Helena. In most Montana towns we don't have many true yuppies and must resort to converting light beer drinkers to micro brews. Yuppies are less sensitive to the relative higher prices of micro brewed beer than are our blue collar converts so we must be very price conscious in marketing micros in Miles City.

We believe that HB 554 "Small Brewery Retail Beer Sales" will not help small brewers. Please vote no on HB 554.

Sincerely,

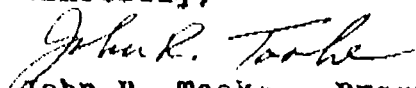

John R. Tooke, President

EXHIBIT 20
DATE 3-1-95
HB 554

2-28-95

Dear Members House Business Committee
Montana State Legislature:

R.F. House Bill # 554 - Brewery Pubs

Mr. Chairman & Committee members,
As a hard working owner of a
Bar, Hubcaps, Inc, in Belgrade, MT.
I am very opposed to the micro
brewery's in Belgrade getting a
FREE on premise license from the
state. I spent many years & hours
to get mine, plus paying "the
nose" for it. This does, definitely
not seem fair. There are more
than enough taverns in Belgrade
now, to try and earn a living, without
more getting theirs FREE -
Please Vote no on this bill.

Sincerely,

Barba Luss, owner
HUBCAPS, Inc.
94 Northern Pacific
Belgrade MT. 59714

phone # 388-7200

EXHIBIT 21
DATE 3-1-95
HB _____

TESTIMONY OF TOBY DEWOLF, BERT & ERNIE'S
IN OPPOSITION TO HOUSE BILL 554
BEFORE THE HOUSE BUSINESS COMMITTEE
MARCH 1, 1995

DEAR MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

MY NAME IS TOBY DEWOLF. I AM THE MANAGER OF BERT & ERNIE'S IN HELENA, AND ON BEHALF OF THE OWNERS OF BERT & ERNIE'S IN THE STATE OF MONTANA I AM HERE TO TESTIFY THAT WE ARE OPPOSED TO THIS BILL. WE HAVE LONG BEEN SUPPORTERS OF THE MICRO-BREWERIES IN MONTANA. WE CARRY A BROAD VARIETY OF THEIR PRODUCTS, INCLUDING AN EMPHASIS ON KESSLER PRODUCTS SINCE KESSLER'S INCEPTION. WHILE WE WISH KESSLER ALL THE BEST IN THE WORLD AND HAVE ENJOYED OUR PARTNERSHIP WITH THEM, WE JUST THINK IT WOULD BE MANIFESTLY UNFAIR FOR KESSLER TO BE GIVEN A LICENSE FOR FREE, WHICH WE HAVE PAID FULL VALUE FOR.

WE ALSO FIND THAT IT'S AN ODD PROPOSITION THAT WE, AMONG THE GREATEST VOLUME PURVEYORS AND SPOKESPERSONS FOR THE KESSLER PRODUCTS, SHOULD NOW HAVE A PROPOSAL BEFORE US TO HAVE THEM SEEK TO UNDERMINE OUR VERY ABILITY TO SELL THEIR PRODUCT. THE ENTIRE PROPOSAL SEEMS JUST OFF-KILTER IN TERMS OF FAIRNESS, AS WELL AS UNNECESSARY. WE RESPECTFULLY ASK YOU TO VOTE "NO" ON THIS PROPOSAL.

THANK YOU.

NAME James Pelland

ADDRESS 108 Northview Missoula, MT 59803

HOME PHONE 721-9159 WORK PHONE 542-3685

REPRESENTING JPs Homebrew Supplies + MT. Brewer's Assoc.

APPEARING ON WHICH PROPOSAL? 554

DO YOU: SUPPORT OPPOSE AMEND

COMMENTS:

The formal legalization of homebrewing in the state of Montana is long overdue. The United States legalized homebrewing in the late 1970's, over 15 yrs ago. Since the inception of the American Homebrewers Association, ^{the} homebrew industry has grown tremendously. Great Falls, Helena, Missoula, Bozeman, Hamilton, Kalispell, & other cities now have Homebrew shops, small businesses that sell equipment & ingredients for homebrewing beer & wine. Homebrewing has not only spawned many small businesses, the whole beer brewing industry has benefited. Homebrewing has created an incredible amount of interest in micro-brewed beer, and micro-brewed beer has created interest in home-brewing.

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

Business & Labor

DATE 3-1-95

BILL NO. SB 239 SPONSOR(S) _____

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	Support	Oppose
Tom Hoggood	Int Beer & Wine wholesalers	✓ Amend	
Dave Hawitt	Clayson Distributors	✓ Amend	
Joe Kerwin 214 Vanhook Helena	SELF	✓	
Bruce Spencer 6 South Park B-10 Helena	self	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

Business + Labor

DATE 3-1-95

BILL NO. HB 554 SPONSOR(S) _____

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	Support	Oppose
Tim O'Leary 534 S W Missoula MT 59801	HB 554	✓	
CHARLES BEATON 308 S. 6TH EAST MISSOULA, MT 59801	HB 554	✓	
Mary K. Bueyer 625 S Oakes Helena MT	HB 554	✓	
Kevin E & Richen 19 South Davis Helena MT	HB 554	✓	
Bob Stephens	Nat. Bly Growers Assn Mt. Grain Growers	✓	
Cindy Dorr 21 Valley View Dr. Clancy 400 Forest Hills	Kessler Brewery HB 554	✓	
DAVID CENTER — Helena	(Self) HB 554	✓	
Jerguson Knoeller 17505 CHW, Missoula, MT	Bayer Brewing, Inc	✓	
XXXXXXXXXX	XXXXXXXXXX		XX
Troy Grovum 525 - PARK HELENA	MILLER'S CROSSING		✓
Paul O'Leary	Bridger Brewing Co	✓	
Jim Edwards	Kessler Brewing CO	✓	
Ted Waits	Kessler Brewing	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

MARK STAPLES	MT. TAVERN ASSOC.		✓
Nancy Edwards	Kessler Brewing	✓	
Tony DeWitt			✓
Brad Griffin	mt Retail Assn.	✓	
Melissa Case	Self	✓	
STUE MORRIS	Jerguson's Rest		✓

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

Business & Labor

DATE 3-1-95

BILL NO. HB 554

SPONSOR(S) Harper / Harp

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	Support	Oppose
Jennifer Ballard Rock'n M Brewing 401 E. Main Bozvale, MT 59714	Brewpub Bill HB554	✓	
Tom Orr 2508 55th Missoula, MT	HB 554	✓	
^{Helena} Chris Pacicot	Montana Brewers Assoc.	✓	
Duane Madsen 555 Absaraka, Sheridan WY 82801	IML The Kessler Brewing HB 554	✓	
Kirk Nicholls 3275 KIH Dr Helena, MT, 59601	Home Brewer For HB 554	✓	
Vicki Sullivan 42 N Howie Helena MT 59601	Homebrewer Fo HB 554	✓	
MIKE SULLIVAN 42 N HOWIE HELENA, MT 59601	HB 554	✓	
JAMES FAGE 322 BELT CR. RD BELT, MT	THE GREAT HOME BREWERS + HARDEST MOON BREWING FOR HB 554	✓	
Todd Murphy Box 2126 MERO Clancy, MT 59634	Self & MT Brewers Assoc.	✓	
Barry Smith Box 105 Somers, Montana 59932	HB 554	✓	
John Campbell 655 LAKE CREEK RD. MILLER, MT 59925	HB 554	✓	
Joyce S. Ward 2400 SUNLIGHT #3 HELENA, MT 59601	HB 554	✓	
Melissa Ward 2400 SUNLIGHT Circle #3 Helena, MT 59601	HB 554	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

Business & Labor

DATE 3-1-95

BILL NO. 554

SPONSOR(S) Harper

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	Support	Oppose
Brian Smith 802 Broadway Helena	—	✓	
STEVE BENDER 511 N. HOBACK HELENA	SELF	✓	
JAMES CONROY 3730 HEATHER DR. HELENA	SELF	✓	
BRENDA CONROY 3730 HEATHER DR. HELENA	SELF	✓	
Linda S. Sheppard	Kessler	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

Business & Labor

DATE 3-1-95

BILL NO. SB 327 SPONSOR(S) Clamp

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	Support	Oppose
Mary Lou Garrett	MT. Chiropractic Assoc	✓	
John J. Sando, D.C.	MT Chiropractic Assoc.	✓	
Idly			
JOE ROBERTS	SB 239	✓	
James Pelland	JP'S Homebrew Supplies	✓	
Brian Smith	-	✓	
Brad Griffin	MT Retail Assoc.	HB5574	
Cheryl Smith	Dept of Commerce Staff	info only	
Chris Beeza D.C.	Board of Chiropractors	✓	
Michael Wood	Keeler	✓	
BRENT REHM		✓	
Michael Wood	Keeler	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.