

HOUSE BILL 360

IN THE HOUSE

January 24, 1979

Introduced and referred to
Committee on Business and
Industry.

1 HOUSE BILL NO. 360
2 INTRODUCED BY Leide

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REDEFINE THE RESORT
5 LIQUOR LICENSE; AMENDING SECTION 16-4-202, MCA; AND
6 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 Section 1. Section 16-4-202, MCA, is amended to read:
10 "16-4-202. Resort licenses. (1) It is the intent and
11 purpose of this section to encourage the growth of quality
12 recreational resort facilities in undeveloped and developed
13 areas of the state and to provide for the orderly growth of
14 existing recreational resort sites by the establishment of
15 resort areas within which retail liquor licenses may be
16 issued by the department under the terms and as more
17 particularly prescribed below. In addition to the licenses
18 as otherwise set forth in ~~[this act]~~ this code, the
19 department may issue resort retail liquor licenses in a
20 resort area.

21 (2) For the purposes of this section, a resort area is
22 defined as a recreational facility, ~~a convention center, a~~
23 ~~motel-restaurant complex, a hotel-restaurant complex, a civic~~
24 ~~center, or fairgrounds,~~ meeting the qualifications
25 determined by the department as hereinafter provided.

1 (3) The department shall determine that the area for
2 which licenses are to be issued is a resort area, such
3 determination to be made under and pursuant to rules to be
4 first promulgated on or before December 31, 1975, and to be
5 amended on or before July 1, 1979.

6 (4) In addition to the other requirements of this
7 code, a resort area, for the purposes of qualification for
8 the issuance of resort retail liquor license, must have a
9 current actual valuation of resort or recreational
10 facilities, including land and improvements thereon, of not
11 less than \$500,000, \$150,000 ~~at least half of which~~
12 ~~valuation must be for a structure or structures within the~~
13 ~~resort area~~ and must be under the sole ownership or control
14 of one person or entity at the time of the filing of the
15 resort area plat referred to in subsection (5) of this
16 section. The word control shall mean lands held under
17 lease, option, or permit.

18 (5) The resort area must be determined by the resort
19 developer or landowner by a plat setting forth the resort
20 boundaries, designating the ownership of the lands within
21 the resort area, which plat must be verified by the resort
22 developer or landowner and filed with the department prior
23 to the filing of any applications by individuals for
24 licenses within the resort area. Such plat must show the
25 location and general design of the buildings and other

1 improvements to be built in said area in which resort retail
2 liquor licenses are to or may be located. A master plan for
3 the development of the area may be filed by the resort
4 developer in satisfaction of this section.

5 (6) Upon such filing the department shall forthwith
6 schedule a public hearing to be held in Helena, Montana, to
7 determine whether the facility proposed by the resort
8 developer or landowner is a resort area within the meaning
9 of the rules of the department. At least 30 days prior to
10 the date of the hearing, the department shall publish notice
11 thereof, with a description of the location of the proposed
12 resort area, in a newspaper published in the county or
13 counties in which the resort is located, once a week for 4
14 consecutive weeks. Each resort developer or landowner
15 shall, at the time of filing his application, pay to the
16 department an amount sufficient to cover the costs of said
17 publication.

18 (7) Persons may present statements to the department
19 at the hearing in person or in writing in opposition or
20 support of the plat.

21 (8) Within 30 days of the hearing, the department
22 shall accept or reject the plat. If rejected the department
23 must state its reasons and set forth the conditions, if any,
24 under which the plat will be accepted, and the decision of
25 the department may be reviewed pursuant to the review

1 procedure set forth in 16-4-406.

2 (9) Once filed with the department, the boundaries of
3 a resort may not be changed without full hearing as above
4 provided and the prior approval of the department, which
5 approval shall be according to public convenience and
6 necessity.

7 (10) (a) When the department has accepted a plat and a
8 given resort area has been determined, applications may then
9 be filed with the department by persons for the issuance of
10 resort retail liquor licenses within the resort area.

11 (b) Each applicant must submit plans showing the
12 location, appearance, and floor plan of the premises for
13 which application for a license is made.

14 (c) If an applicant otherwise qualifies for a resort
15 license but the premises to be licensed are still in
16 construction or are otherwise incomplete at the time of such
17 application, the department shall issue a letter stating
18 that the license will be issued at such time as the
19 qualifications for a licensed premises have been met,
20 setting forth such time limitations and requirements as the
21 department may establish.

22 (11) In addition to the restrictions on sale or
23 transfer of a license as provided in 16-4-204, no resort
24 retail liquor license may be sold or transferred for
25 operation at a location outside of the boundaries of the

1 resort area.

2 (12) A resort retail liquor license shall not be
3 subject to the quota limitations set forth in 16-4-201, and
4 a resort retail liquor license shall be issued by the
5 department on the basis that the department has determined
6 that such license is justified by public convenience and
7 necessity, following a hearing as provided in 16-4-207.*

8 Section 2. Effective date. This act is effective on
9 passage and approval.

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HB 360

STATE OF MONTANA

REQUEST NO. 148-79

FISCAL NOTE

Form BD-15

In compliance with a written request received January 26, 19 79, there is hereby submitted a Fiscal Note for House Bill 360 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION

This proposed bill redefines the resort liquor license and provides an effective date.

ASSUMPTIONS

- 1) The increase in the number of applications for a resort liquor license due to this legislation will total about 500 for FY80 and 100 for FY81.
- 2) The increase in the number of resort liquor licenses due to this legislation will be about 300 for both FY80 and FY81.
- 3) The annual fee for a resort liquor license is \$2,000.
- 4) Administrative costs will be \$100 per application.
- 5) The effective date of this legislation is on passage and approval, so some effect may be felt in FY79.

FISCAL IMPACT

	<u>FY 80</u>	<u>FY 81</u>
Resort Liquor License Fee (Effect of Proposed Legislation)		
under current law	\$ 0	\$ 0
under proposed law	<u>600,000</u>	<u>600,000</u>
Estimated Increase	<u>\$600,000</u>	<u>\$600,000</u>
 Expenditures		
Total Expenditure		
under current law	\$ 0	\$ 0
under proposed law	<u>50,000</u>	<u>10,000</u>
Estimated Increase	<u>\$ 50,000</u>	<u>\$ 10,000</u>
 Net Effect		
Estimated Increase	<u>\$550,000</u>	<u>\$590,000</u>

FUND INFORMATION

General Fund		
under current law	\$ 0	\$ 0
under proposed law	<u>\$550,000</u>	<u>590,000</u>
Estimated Increase	<u>\$550,000</u>	<u>\$590,000</u>

LONG-RANGE EFFECTS

The proposed legislation should increase revenues by approximately \$500,000 per year for the next few years.

Richard L. Drury
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2/1/79