

HOUSE BILL 703

IN THE HOUSE

February 9, 1979	Introduced and referred to Committee on State Administration.
February 20, 1979	Committee recommend bill, do not pass.
February 21, 1979	Report adopted.

1 *House* BILL NO. *703*  
 2 INTRODUCED BY *James Dan Flynn*  
 3 *Lamurez*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PHASE OUT THE  
 5 STATE-OPERATED STATE LIQUOR STORES AND REPLACE THEM WITH  
 6 STATE LIQUOR STORES OPERATED UNDER AGENCY AGREEMENTS;  
 7 PROVIDING CERTAIN RIGHTS FOR EXISTING EMPLOYEES; AMENDING  
 8 SECTION 16-2-101, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE  
 9 DATE."

10  
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 16-2-101, MCA, is amended to read:

13 "16-2-101. Establishment of state liquor stores --  
 14 kinds and prices of liquor. (1) The department shall  
 15 establish and maintain one or more stores, to be known as  
 16 "state liquor stores", as the department finds feasible for  
 17 the sale of liquor in accordance with the provisions of this  
 18 code and the rules made thereunder. ~~The stores shall be~~  
 19 ~~classified according to the volume of business which each~~  
 20 ~~store does each fiscal year. The volume of business to be~~  
 21 ~~used in figuring each store's classification shall be the~~  
 22 ~~volume of business done by the store to be classified during~~  
 23 ~~the immediate past fiscal year.~~

24 (2) ~~Stores shall be classified as follows:~~

25 (a) ~~Stores having done a business of \$450,000 or over~~

1 ~~shall be "class-A" stores.~~

2 (b) ~~Stores having done a business of \$140,000 and up~~  
 3 ~~to \$450,000 shall be "class-B" stores.~~

4 (c) ~~All stores having done a business of less than~~  
 5 ~~\$140,000 shall be "class-C" stores.~~

6 (3) ~~In opening new stores the department shall~~  
 7 ~~estimate the volume of business which said store will do the~~  
 8 ~~first year and classify said store according to the estimate~~  
 9 ~~of business.~~

10 (4) ~~(2)~~ The department shall enter into an agency  
 11 agreement ~~or employ the necessary help~~ to operate said  
 12 stores and shall designate the duties to be performed by the  
 13 agent ~~or employees.~~

14 (5) ~~(3)~~ The department may from time to time fix the  
 15 prices at which the various classes, varieties, and brands  
 16 of liquor may be sold, and prices shall be the same at all  
 17 state stores."

18 NEW SECTION. Section 2. Transition to agency stores.

19 (1) After [the effective date of this act], no new state  
 20 liquor store may be opened and no person may be hired by the  
 21 department to help to operate a state liquor store.

22 (2) Whenever the number of personnel employed in a  
 23 state liquor store falls below 50% of the number employed as  
 24 of the [effective date of this act], the department shall  
 25 enter into an agency agreement for the operation of that

1 store. In entering into such an agency agreement, the  
2 department must give first preference as agents to the  
3 persons employed in the store at the time its status as a  
4 state-operated store is terminated.

5 (3) Personnel who are eligible to retire upon  
6 termination of the state-operated store may elect to do so.  
7 All personnel must be offered the opportunity to transfer to  
8 another state liquor store for employment or be terminated.

9 Section 3. Codification. It is intended that section 2  
10 be codified as an integral part of Title 16, chapter 2, part  
11 1 and the provisions of Title 16 apply to section 2.

12 Section 4. Effective date. This act is effective on  
13 passage and approval.

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