CHAPTER NO. 139

SENATE BILL NO. 108

INTRODUCED BY LOWE, KOLSTAD, BOYLAN, MEHRENS

IN THE SENATE

January 16, 1979	Introduced and referred to Committee on Business and Industry.
January 17, 1979	Fiscal note requested.
January 23, 1979	Fiscal note returned.
January 24, 1979	Committee recommend bill do pass as amended. Report adopted.
January 25, 1979	Printed and placed on members' desks.
January 26, 1979	Second reading, indefinitely postponed.
January 27, 1979	On motion, Senate reconsider its action taken on second reading previous Legislative Day and place on second reading. Motion adopted.
	On motion, taken from second reading and rereferred to Committee on Business and Industry.
February 5, 1979	Committee recommend bill do pass as amended. Report adopted.
February 6, 1979	Printed and placed on members' desks.
February 7, 1979	Second reading, do pass.
February 8, 1979	Considered correctly engrossed.
February 9, 1979	Third reading, passed. Transmitted to second house.

IN THE HOUSE

February 10, 1979	Introduced and referred to Committee on Business and Industry.
March 3, 1979	Committee recommend bill be concurred in. Report adopted.
March 5, 1979	Second reading, concurred in.
March 7, 1979	Third reading, concurred in.
IN THE	SENATE
March 8, 1979	Returned from second house. Concurred in. Sent to enrolling.

Reported correctly enrolled.

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A BILL FOR AN ACT ENTITLED: "AN ACT PERMITTING THE DEPARTMENT OF REVENUE TO LICENSE THE CATERING OF ALCOHOLIC BEVERAGES OFF THE PREMISES OF A TAYERN: AMENDING SECTION 16-4-204. MCA."

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

Section 1. Section 16-4-204, MCA, is amended to read: "16-4-20". Contents of license -- posting -- privilege -- transfer -- expiration. (1) Every license issued under this part shall set forth the name of the person to whom issued, the location, by street and number or other appropriate specific description of location if no street address exists, of the premises where the business is to be carried on under said license, and such other information as the department shall deem necessary. If the licensee is a partnership or if more than one person has any interest in the business operated under the license, the names of all persons in the purtnership or interested in the business must appear on the license. Every license must be posted in a conspicuous place on the premises wherein the business authorized under the license is conducted, and such license shall be exhibited upon request to any authorized

1 representative of the department or to any peace officer of 2 the state of Montana.

- (2) Any license issued under the provisions of this part shall be considered a privilege personal to the licensee named in the license and shall be good until the expiration of the license unless sooner revoked or suspended.
- (3) A license may be transferred to the executor or administrator of the estate of any deceased licensee when such estate consists in whole or in part of the business of selling liquor under a license, and in such event the 11 license may descend or be disposed of with the business to which it is applicable under appropriate probate proceedings.
 - (4) In the event of a major loss or damage to licensed premises by unforeseen natural causes or in case of expiration of lease of the licensed premises or in the event of eviction or increase of rent by the landlord (in case of rented licensed premises) or in case of proposed removal of license to premises as substantially suited for the retail liquor business as the premises vacated, the licensee may apply to the department for a transfer of the license to different premises. The department may in its discretion permit a transfer in such cases if it appears to the department that such a transfer is required to do justice to

LC 0788/01

the licensee applying for the transfer. The department shall in no event nor for any cause permit a transfer to different premises where the sanitary, health, and service facilities are less satisfactory than such facilities which exist or had existed at the premises from which the transfer is proposed to be made.

under any license, the license way be transferred to a qualified purchaser. No transfer of any license as to person or location shall be effective unless and until approved by the department, and any licensee or transferee or proposed transferee who operates or attempts to operate under any supposedly transferred license prior to the approval of such transfer by the department, endorsed upon the license in writing, shall be considered as operating without a license and the license affected may be revoked or suspended by the department. The department may, within its discretion, permit a qualified purchaser to operate the business to be transferred pending final approval, providing the application for transfer has been filed with the department.

(6) (a) A license may be transferred to a new ownership and to a location outside the quota area for which it was originally issued only when the following criteria are met:

(i) the total number of all-beverages licenses in the original quota area exceeded the quota for that area by at least 25% in the most recent census;

4 (ii) the total number of all-beverages licenses in the guota area to which the license would be transferred did not exceed that area's quota by more than 25% in the most recent census; and

(iii) the department finds, after a public hearing, that the public convenience and necessity would be served by such a transfer.

(b) A license transferred between quota areas under this section may not be mortgaged or pledged as security and may not be transferred to another person except for a transfer by inheritance upon the death of the licensee. A license transferred between quota areas under this section may be held only by natural persons. For the purpose of this section, natural persons shall not include limited partnerships or other business entities of any kind in which each natural person is not a full participant in the ownership and operation of the business authorized by the license.

an all-beverages license upon application by the licensee
and upon finding that the licensee is equipped to cater
alcoholic beverages to gatherings of persons upon premises

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2	The licensee shall obtain prior written approval from the
3	department for each gathering he intends to cater and shall
4	display this approval on the premises in which the cateres
5	gathering occurs. The fees are \$50 for the catering
6	endorsement and \$10 for each prior written approval.
7	(7)[8] Except as above provided, no license shall be
8	transferred or sold nor shall it be used for any place of
q	business not described in the license; provided, however
10	that such license may be subject to mortgage and other valid
11	liens, in which event the name of the mortgagee, upon
12	application to and approval of the department, must be
13	endorsed on the license.
14	(8)(9) All licenses shall expire at midnight of Jun
15	30 of each year• ™

-End-

SE 108

46th Legislature SB 0108/02

Approved by Committee on Business and Industry

1	SENATE BILL NO. 108
2	INTRODUCED BY LOWE. KOLSTAD. BOYLAN. MEHRENS
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4	A BILL FOR AN ACT ENTITLED: "AN ACT PERMITTING THE
5	DEPARTMENT OF REVENUE TO LICENSE THE CATERING OF ALCOHOLIC
6	BEVERAGES OFF THE PREMISES OF A TAVERN; AMENDING SECTION
7	16-4-204. MCA."
8	
9	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
10	Section 1. Section 16-4-204, MCA, is amended to read:
11	#16-4-204. Contents of license posting privilege
12	transfer expiration. (1) Every license issued under
13	this part shall set forth the name of the person to whom
14	issued, the location, by street and number or other
15	appropriate specific description of location if no street
16	address exists, of the premises where the business is to be
17	carried on under said license, and such other information as
18	the department shall deem necessary. If the licensee is a
19	partnership or if more than one person has any interest in
20	the business operated under the license, the names of all
21	persons in the partnership or interested in the business
22	must appear on the license. Every license must be posted in
23	a conspicuous place on the premises wherein the business

authorized under the license is conducted, and such license

shall be exhibited upon request to any authorized

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l representative of the department or to any peace officer of

the state of Montana.

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SB 0108/02

- 3 (2) Any license issued under the provisions of this
 4 part shall be considered a privilege personal to the
 5 licensee named in the license and shall be good until the
 6 expiration of the license unless sooner revoked or
 7 suspended.
- 8 (3) A license may be transferred to the executor or
 9 administrator of the estate of any deceased licensee when
 10 such estate consists in whole or in part of the business of
 11 selling liquor under a license, and in such event the
 12 license may descend or be disposed of with the business to
 13 which it is applicable under appropriate probate
 14 proceedings.
 - premises by unforeseen natural causes or in case of expiration of lease of the licensed premises or in the event of eviction or increase of rent by the landlord (in case of rented licensed premises) or in case of proposed removal of license to premises as substantially suited for the retail liquor business as the premises vacated, the licensee may apply to the department for a transfer of the license to different premises. The department may in its discretion permit a transfer in such cases if it appears to the department that such a transfer is required to do justice to

the licensee applying for the transfer. The department shall in no event nor for any cause permit a transfer to different premises where the sanitary, health, and service facilities are less satisfactory than such facilities which exist or had existed at the premises from which the transfer is proposed to be made.

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under any license, the license may be transferred to a qualified purchaser. No transfer of any license as to person or location shall be effective unless and until approved by the department, and any licensee or transferee or proposed transferee who operates or attempts to operate under any supposedly transferred license prior to the approval of such transfer by the department, endorsed upon the license in writing, shall be considered as operating without a license and the license affected may be revoked or suspended by the department. The department may, within its discretion, permit a qualified purchaser to operate the business to be transferred pending final approval, providing the application for transfer has been filed with the department.

(6) (a) A license may be transferred to a new ownership and to a location outside the quota area for which it was originally issued only when the following criteria are met:

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1 (i) the total number of all-beverages licenses in the
2 original quota area exceeded the quota for that area by at
3 least 25% in the most recent census:

(ii) the total number of all-beverages licenses in the quota area to which the license would be transferred did not exceed that area's quota by more than 25% in the most recent census; and

(iii) the department finds, after a public hearing, that the public convenience and necessity would be served by such a transfer.

(b) A license transferred between quota areas under this section may not be mortgaged or pledged as security and may not be transferred to another person except for a transfer by inheritance upon the death of the licensee. A license transferred between quota areas under this section may be held only by natural persons. For the purpose of this section, natural persons shall not include limited partnerships or other business entities of any kind in which each natural person is not a full participant in the ownership and operation of the business authorized by the licensee.

ill--The-deportment-may-issue-a-catering-endorsement-to
an--all-beverages--license--upon-application-by-the-licensee
and-upon-finding-that-the--licensee--is--equipped--to--cater
alcoholic--beverages--to-gatherings-of-persons-upon-premises

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3	department-for-each-gathering-he-intenda-to-cater-and-shall
4	display-this-taparovol-on-therpresises-in-which-therestere
5	gothering=:occurax=:The==feea==are==\$50==for==the===cotering
5	endorsement_and_\$i@_for_each_prior_written_approvatu
7	(7) (A) ANY ALL-BEYERAGE LICENSEE 15. UPON THE
8	APPROYAL AND IN THE DISCRETION OF THE LIQUOR DIVISION
9	ENTITLED ID A CATERING ENDORSEMENT TO HIS ALL-BEYERAGE
10	LICENSE TO ALLOW THE CATERING AND SALE OF ALCOHOLIS
11	BEYERAGES TO PERSONS ATTENDING A SPECIAL EVENT UPON PREMISE
12	NOT DIHERWISE LICENSED FOR THE SALE OF ALCOHOLIC BEYERAGES
13	SUCH BEYERAGES TO BE CONSUMED ON THE PREMISES WHERE THE
14	EASULTZ HEFD*
15	(B) A WRITTEN APPLICATION FOR A CATERING ENDORSEMENT
16	AND AN ANNUAL FEE OF \$50 MUST BE SUBMITTED TO THE DEPARTMENT
17	EOR_IIS_APPROVAL®
18	(C) _A_HRITIEN_APPLICATION_FOR_EACH_EVENT_FOR_WHICH_TH
19	LICENSEE_INTENDS_IQ_PROVIDE_CATERING_SERVICES_AND_EEE_QF_\$20
20	MUST BE FILED WITH THE DEPARTMENT AT LEAST 10 DAYS PRIOR
21	THE EVENT AND SHALL DESCRIBE THE LOCATION OF THE PREMISE
22	WHERE THE EVENT IS TO BE HELD. THE NATURE OF THE EVENT. AND
23	THE PERIOD DURING WHICH THE EVENT IS TO BE HELD. 1
24	QBIAINED: THE LICENSEE SHALL DISPLAY IN A PROMINENT PLACE OF
25	IHOSE PREMISES. THE WRITTEN APPROVAL FROM THE DEPARTMENT FOR

other-thon-bis-towern-on-a-sporadic-and--unscheduled--basis*

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EACH EVENT WHICH IS CATERED PURSUANT TO THIS SUBSECTION. 2 10) THE LICENSEE SHALL FILE WITH EACH APPLICATION FOR AN EVENT TO BE CATERED A WRITTEN STATEMENT OF APPROVAL OF 3 THE PREMISES WHERE THE EVENT IS TO BE HELD ISSUED BY THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES. 6 1E1 THE SALE OF ALCOHOLIC BEVERAGES PURSUANT TO A 7 CATERING ENDORSEMENT IS SUBJECT TO THE PROVISIONS OF 8 16-6-103. 9 1E) THE SALE OF ALCOHOLIC BEVERAGES PURSUANT TO A 10 CATERING ENDORSEMENT IS SUBJECT TO THE PROVISIONS OF 11 16-3-306. UNLESS ENTITIES NAMED IN 16-3-306 GIVE THEIR 12 HRIIIEN APPROVAL. 13 f71181 Except as above provided, no license shall be 14 transferred or sold nor shall it be used for any place of business not described in the license; provided, however, 15 16 that such license may be subject to mortgage and other valid 17 liens, in which event the name of the mortgagee, upon 18 application to and approval of the department, must be 19 endorsed on the license. ∠0 t8)(9) All licenses shall expire at midnight of June 21 30 of each year.*

-End-

46th Legislature SB 0108/03

Approved by Committee on Business and Industry

INTRODUCED	BY	LOWE.	KOLSTAD.	BOYLAN.	MEHRENS

A SILL FOR AN ACT ENTITLED: "AN ACT PERMITTING THE
DEPARTMENT OF REVENUE TO LICENSE THE CATERING OF ALCOHOLIC
BEVERAGES OFF THE PREMISES OF A TAYERN; AMENDING SECTION

SENATE BILL NO. 108

7 16-4-204, MCA.*

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3 (2) Any license issued under the provisions of this
4 part shall be considered a privilege personal to the
5 licensee named in the license and shall be good until the
6 expiration of the license unless sooner revoked or
7 suspended.

8 (3) A license may be transferred to the executor or
9 administrator of the estate of any deceased licensee when
10 such estate consists in whole or in part of the business of
11 selling liquor under a license, and in such event the
12 license may descend or be disposed of with the business to
13 which it is applicable under appropriate probate
14 proceedings.

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premises by unforeseen natural causes or in case of expiration of lease of the licensed premises or in the event of eviction or increase of rent by the landlord (in case of rented licensed premises) or in case of proposed removal of license to premises as substantially suited for the retail liquor business as the premises vacated, the licensee may apply to the department for a transfer of the license to different premises. The department may in its discretion permit a transfer in such cases if it appears to the department that such a transfer is required to do justice to

SECOND PRINTING SB 108

SB 0108/03 SB 0108/03

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the licensee applying for the transfer. The department shall in no event nor for any cause permit a transfer to different premises where the sanitary, health, and service facilities are less satisfactory than such facilities which exist or had existed at the premises from which the transfer is proposed to be made.

- (5) Upon a bona fide sale of the business operated under any license, the license may be transferred to a qualified purchaser. No transfer of any license as to person or location shall be effective unless and until approved by the department, and any licensee or transferee or proposed transferee who operates or attempts to operate under any supposedly transferred license prior to the approval of such transfer by the department, endorsed upon the license in writing, shall be considered as operating without a license and the license affected may be revoked or suspended by the department. The department may, within its discretion, permit a qualified purchaser to operate the ousiness to be transferred pending final approval, providing the application for transfer has been filed with the department.
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2 original quota area exceeded the quota for that area by at
3 least 25% in the most recent census:

(ii) the total number of all-beverages licenses in the quota area to which the license would be transferred did not exceed that area's quota by more than 25% in the most recent census; and

(iii) the department finds, after a public neuring, that the public convenience and necessity would be served by such a transfer.

(b) A license transferred between quota areas under this section may not be mortgaged or pledged as security and may not be transferred to another person except for a transfer by inheritance upon the death of the licensee. A license transferred between quota areas under this section may be held only by natural persons. For the purpose of this section, natural persons shall not include limit partnerships or other business entities of any kind in which each natural person is not a full participant in the ownership and operation of the business authorized by the license.

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171 1A1 ANY ALL-BEYERAGE LICENSEE IS. UPON IN
APPRUYAL AND IN THE DISCRETION OF THE LIQUOR DIVISIONS

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APPROVAL AND IN THE DISCRETION OF THE LIQUOR DIVISION.

ENTITIED TO A CATERING ENDORSEMENT TO HIS ALL-BEVERAGE

LICENSE TO ALLOW THE CATERING AND SALE OF ALCOHOLIC

BEVERAGES TO PERSONS ATTENDING A SPECIAL EVENT UPON PREMISES

NOT OTHERWISE LICENSED FOR THE SALE OF ALCOHOLIC REVERAGES

SUCH BEVERAGES TO BE CONSUMED ON THE PREMISES WHERE THE

EVENT IS HELD.

181_A_HRITIEN_APPLICATION_EOR_A_CAIERING_ENCORSEMENT
AND AN ANNUAL EEE OF \$59 \$250 MUSI_BE_SUBMITIED_IO_IHE
DEPARTMENT_EOR_IIS_APPROYAL*

LICENSEE INTENDS TO PROVIDE CATERING SERVICES AND EEE-OF

\$20. THE HRITTEN APPROVAL OF THE CATERING APPLICATION BY THE

SPONSOR OF THE SPECIAL EVENT. AND A FEE OF \$40 MUST BE FILED

MITH THE DEPARTMENT AT LEAST TO DAYS PRIOR TO THE EVENT AND

SHALL DESCRIBE THE LOCATION OF THE PREMISES WHERE THE EVENT

LS TO BE HELD. THE NATURE OF THE EVENT. AND THE PERIOD

DURING WHICH THE EVENT IS TO BE HELD. AY ALL-BEVERAGE

LICENSEE HMO MOLDS AN ENDORSEMENT GRANTED UNDER THIS

SUBSECTION (7) MAY NOT RECEIVE APPROVAL TO CATER AN EVENT OF

MHICH HE IS THE SPONSOR. THE CATERED EVENT MUST BE MITHIN

100 MILES OF THE LICENSEE'S REGULAR PLACE OF BUSINESS. IF

DBTAINED. THE LICENSEE SHALL DISPLAY IN A PROMINENT PLACE ON

THOSE PREMISES. THE WRITTEN APPROVAL FROM THE DEPARTMENT FOR

EACH EVENT WHICH IS CATERED PURSUANT TO THIS SUBSECTION.

AN EVENT TO BE CATERED A WRITTEN STATEMENT OF APPROVAL OF

THE PREMISES WHERE THE EVENT IS TO BE HELD ISSUED BY THE

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES.

16-6-103.

15 (E) THE SALE OF ALCOHOLIC BEYERAGES PURSUANT TO A
16 CATERING ENDORSEMENT IS SUBJECT TO THE PROVISIONS DE
17 16-3-306 UNLESS ENTITIES NAMED IN 16-3-306 GIVE THEIR
18 WRITTEN APPROVAL.

CATERING ENDORSEMENT IS SUBJECT TO THE PROVISIONS OF

(7)(8) Except as above provided, no license shall be transferred or sold nor shall it be used for any place of business not described in the license; provided, however, that such license may be subject to mortgage and other valid liens, in which event the name of the mortgagee, upon application to and approval of the department, must be endorsed on the license.

\$8 0108/03

1 (8)(9) All licenses shall expire at midnight of June

2 30 of each year.

-End-

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46th Legislature SB 0108/03 SB 0108/03

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INTRODUCED BY LONE, KOLSTAD, BOYLAN, MEHRENS

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A BILL FOR AN ACT ENTITLED: "AN ACT PERMITTING THE DEPARTMENT OF REVENUE TO LICENSE THE CATERING OF ALCOHOLIC BEVERAGES OFF THE PREMISES OF A TAVERN; AMENDING SECTION

7 16-4-204. MCA."

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

Section 1. Section 16-4-204. MCA: is amended to read: "16-4-204. Contents of license -- posting -- privilege -- transfer -- expiration. (1) Every license issued under this part shall set forth the name of the person to whom issued, the location, by street and number or other appropriate specific description of location if no street address exists, of the premises where the business is to be carried on under said license, and such other information as the department shall deem necessary. If the licensee is a partnership or if more than one person has any interest in the business operated under the license, the names of all persons in the partnership or interested in the business must appear on the license. Every license must be posted in 3 conspicuous place on the premises wherein the business authorized under the license is conducted, and such license shall be exhibited upon request to any authorized representative of the department or to any peace officer of

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 4 part shall be considered a privilege personal to the
 5 licensee named in the license and shall be good until the
 6 expiration of the license unless sooner revoked or
 7 suspended.
 - (3) A license may be transferred to the executor or administrator of the estate of any deceased licensee when such estate consists in whole or in part of the business of selling liquor under a license, and in such event the license may descend or be disposed of with the business to which it is applicable under appropriate probate proceedings.
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SB 0108/03 SB 0108/03

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- (5) Upon a bona fide sale of the business operated under any license, the license may be transferred to a oualified purchaser. No transfer of any license as to person or location shall be effective unless and until approved by the department, and any licensee or transferee or proposed transferee who operates or attempts to operate under any supposedly transferred license prior to the approval of such transfer by the department, endorsed upon the license in writing, shall be considered as operating without a license and the license affected may be revoked or suspended by the department. The department may, within its discretion, permit a qualified purchaser to operate the pusiness to be transferred pending final approval, providing the application for transfer has been filed with the department.
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2 original quota area exceeded the quota for that area by at
3 least 25% in the most recent census:

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- (iii) the department finds. after a public hearing.

 that the public convenience and necessity would be served by
 such a transfer.
- (b) A license transferred between quota areas under this section may not be mortgaged or pledged as security and may not be transferred to another person except for a transfer by inheritance upon the death of the licensee. A license transferred between quota areas under this section may be held only by natural persons. For the purpose of this section, natural persons shall not include limited partnerships or other business entities of any kind in which each natural person is not a full participant in the ownership and operation of the business authorized by the licensee.

The department may issue a catering endorsement to an -- old-beverages -- license -- upon application by the license and upon finding that the license -- is -- equipped -- to -- cater alcoholic -- beverages -- to -- gatherings -- of -- persons -- upon -- premises

SB 108

1	other-then-his-tayern-on-a-sparadic-andunscheduladbosis:
2	The::licensee::shall::obtain:prior:written-approval-from-the
3	department-for-each-gothering-be-intends-to-cater-andshall
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5	gothering==occurs===The==fees==are==t50==for==tha===catering
6	endorsement-and-\$10-for-goch-prior-written-approxals

- 17) (A) ANY ALL-BEYERAGE LICENSEE IS UPON THE APPROVAL AND IN THE DISCRETION OF THE LIQUOR DIVISIONS ENTITLED TO A CATERING ENDORSEMENT TO HIS ALL-BEYERAGE LICENSE TO ALLOW THE CATERING AND SALE OF ALCOHOLIC BEYERAGES TO PERSONS ATTENDING A SPECIAL EVENT UPON PREMISES NOT OTHERWISE LICENSED FOR THE SALE OF ALCOHOLIC BEYERAGES SUCH BEYERAGES TO BE CONSUMED ON THE PREMISES WHERE THE EVENT IS HELD.
- 15 (B) A WRITTEN APPLICATION FOR A CATERING ENDORSEMENT
 16 AND AN ANNUAL FEE OF \$58 \$250 MUST BE SUBMITTED TO THE
 17 DEPARTMENT FOR ITS APPROVAL.
 - 1C) A WRITTEN APPLICATION FOR EACH EVENT FOR WHICH THE LICENSEE INTENDS TO PROVIDE CATERING SERVICES AND EEE-BE \$20. THE WRITTEN APPROVAL OF THE CATERING APPLICATION BY THE SPONSOR OF THE SPECIAL EVENT. AND A FEE DE \$40 MUST BE FILED WITH THE DEPARTMENT AT LEAST 10 DAYS PRIOR TO THE EVENT AND SHALL DESCRIBE THE LOCATION OF THE PREMISES WHERE THE EVENT IS TO BE HELD. AN ALL-BEVERAGE

1	LICENSEE WHO HOLDS AN ENDORSEMENT GRANTED UNDER THIS
2	SUBSECTION (7) MAY NOT RECEIVE APPROVAL TO CATER AN EVENT OF
3	WHICH HE IS THE SPONSOR. THE CATERED EVENT MUST BE WITHIN
4	100 MILES OF THE LICENSEE'S REGULAR PLACE OF BUSINESS. IE
5	OBTAINED, THE LICENSEE SHALL DISPLAY IN A PROMINENT PLACE ON
6	THOSE PREMISES. THE WRITTEN APPROVAL FROM THE DEPARTMENT FOR
7	EACH EVENT WHICH IS CATERED PURSUANT TO THIS SUBSECTION.
8	(D) THE LICENSEE SHALL FILE WITH EACH APPLICATION FOR
9	" AN EVENT TO BE CATERED A WRITTEN STATEMENT OF APPROVAL OF
10	THE PREMISES WHERE THE EVENT IS TO BE HELD ISSUED BY THE
11	DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES.
12	(E) THE SALE OF ALCOHOLIC BEYERAGES PURSUANT TO A
13	CATERING ENDORSEMENT IS SUBJECT TO THE PROVISIONS OF
14	16-6-103a
15	IF) THE SALE OF ALCOHOLIC BEYERAGES PURSUANT TO A
16	CATERING ENDORSEMENT IS SUBJECT TO THE PROVISIONS OF
17	16-3-306. UNLESS ENTITIES NAMED IN 16-3-306 GIVE THEIR
18	WRITTEH APPROVAL.
19	(7)(8) Except as above provided, no license shall be
20	transferred or sold nor shall it be used for any place of
21	business not described in the license; provided, however,
22	that such license may be subject to mortgage and other valid
23	liens, in which event the name of the mortgagee, upon
24	application to and approval of the department, must be

endorsed on the license.

58 0108/03

1 (8)(9) All licenses shall expire at midnight of June

2 30 of each year.*

-End-

SB 0108/04 SB 0108/04 46th Legislature

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SENATE BILL NO. 108

INTRODUCED BY LOWE, KOLSTAD, BOYLAN, MEHRENS

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A BILL FOR AN ACT ENTITLED: "AN ACT PERMITTING THE DEPARTMENT OF REVENUE TO LICENSE THE CATERING OF ALCOHOLIC BEVERAGES OFF THE PREMISES OF A TAVERN; AMENDING SECTION 16-4-204+ MCA."

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

Section 1. Section 16-4-204, MCA, is amended to read: *16-4-204. Contents of license -- posting -- privilege -- transfer -- expiration. (1) Every license issued under this part shall set forth the name of the person to whom issued, the location, by street and number or other appropriate specific description of location if no street address exists, of the premises where the business is to be carried on under said license, and such other information as the department shall deem necessary. If the licensee is a partnership or if more than one person has any interest in the business operated under the license, the names of all persons in the partnership or interested in the business must appear on the license. Every license must be posted in a conspicuous place on the premises wherein the business authorized under the license is conducted, and such license shall be exhibited upon request to any authorized

representative of the department or to any peace officer of 1 2 the state of Montana.

- 3 (2) Any license issued under the provisions of this part shall be considered a privilege personal to the 5 licenses named in the license and shall be good until the expiration of the license unless sooner revoked or 7 suspended.
 - (3) A license may be transferred to the executor or administrator of the estate of any deceased licensee when such estate consists in whole or in part of the business of selling liquor under a license, and in such event the license may descend or be disposed of with the business to which it is applicable under appropriate probate proceedings.
 - (4) In the event of a major loss or damage to licensed premises by unforeseen natural causes or in case of expiration of lease of the licensed premises or in the event of eviction or increase of rent by the landlord (in case of rented licensed premises) or in case of proposed removal of license to premises as substantially suited for the retail liquor business as the premises vacated, the licensee may apply to the department for a transfer of the license to different premises. The department may in its discretion permit a transfer in such cases if it appears to the department that such a transfer is required to do justice to

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the licensee applying for the transfer. The department shall in no event nor for any cause permit a transfer to different premises where the sanitary, health, and service facilities are less satisfactory than such facilities which exist or had existed at the premises from which the transfer is proposed to be made.

under any license, the license may be transferred to a qualified purchaser. No transfer of any license as to person or location shall be effective unless and until approved by the department, and any licensee or transferee or proposed transferee who operates or attempts to operate under any supposedly transferred license prior to the approval of such transfer by the department, endorsed upon the license in writing, shall be considered as operating without a license and the license affected may be revoked or suspended by the department. The department may, within its discretion, permit a qualified purchaser to operate the business to be transferred pending final approval, providing the application for transfer has been filed with the department.

(6) (a) A license may be transferred to a new ownership and to a location outside the quota area for which it was originally issued only when the following criteria are met:

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1 (i) the total number of all-beverages licenses in the
2 original quota area exceeded the quota for that area by at
3 least 25% in the most recent census:

(ii) the total number of all-beverages licenses in the quota area to which the license would be transferred did not exceed that area's quota by more than 25% in the most recent census; and

(iii) the department finds, after a public hearing, that the public convenience and necessity would be served by such a transfer.

(b) A license transferred between quota areas under this section may not be mortgaged or pledged as security and may not be transferred to another person except for a transfer by inheritance upon the death of the licensee. A license transferred between quota areas under this section may be held only by natural persons. For the purpose of this section, natural persons shall not include limited partnerships or other business entities of any kind in which each natural person is not a full participant in the ownership and operation of the business authorized by the license.

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2	The licenses shell obtain - prior - written - approval - from - the
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6	endorsement_and_\$10_for_sasb_prior_written_approvalx
7	171 (A) ANY ALL-BEYERAGE LICENSEE IS. UPON THE
8	APPROVAL AND IN THE DISCRETION OF THE LIQUOR DIVISION.
9	ENTITLED_IQ_A_CATERING_ENGORSEMENT_TO_HIS_ALL-BEYERAGE
10	LICENSE TO ALLOH THE CATERING AND SALE OF ALCOHOLIC
11	BEVERAGES TO PERSONS ATTENDING A SPECIAL EVENT UPON PREMISES
12	NOT OTHERWISE LICENSED FOR THE SALE OF ALCOHOLIC BEYERAGES
13	SUCH BEYERAGES TO BE CONSUMED ON THE PREMISES WHERE THE
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-End-