

HOUSE BILL NO. 30
INTRODUCED BY KITSELMAN

IN THE HOUSE

JANUARY 5, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON BUSINESS & LABOR.

JANUARY 9, 1987 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

JANUARY 10, 1987 PRINTING REPORT.

JANUARY 12, 1987 ON MOTION, TAKEN FROM SECOND READING
AND REREFERRED TO COMMITTEE ON
BUSINESS & LABOR.

JANUARY 15, 1987 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

JANUARY 16, 1987 PRINTING REPORT.

JANUARY 17, 1987 SECOND READING, DO PASS.

JANUARY 19, 1987 ENGROSSING REPORT.

 THIRD READING, PASSED.

 TRANSMITTED TO SENATE.

IN THE SENATE

JANUARY 21, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON BUSINESS & INDUSTRY.

JANUARY 30, 1987 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

FEBRUARY 3, 1987 SECOND READING, CONCURRED IN.

FEBRUARY 5, 1987 THIRD READING, CONCURRED IN.
AYES, 44; NOES, 5.

 RETURNED TO HOUSE.

IN THE HOUSE

FEBRUARY 6, 1987 RECEIVED FROM SENATE.
SENT TO ENROLLING.

FEBRUARY 10, 1987 ENROLLING REPORT.
SIGNED BY SPEAKER.

FEBRUARY 11, 1987 SIGNED BY PRESIDENT.
DELIVERED TO GOVERNOR.

FEBRUARY 16, 1987 RETURNED FROM GOVERNOR WITH
RECOMMENDED AMENDMENTS.

FEBRUARY 19, 1987 SECOND READING, GOVERNOR'S RECOM-
MENDED AMENDMENTS CONCURRED IN.

FEBRUARY 20, 1987 THIRD READING, GOVERNOR'S RECOM-
MENDED AMENDMENTS CONCURRED IN.
TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 5, 1987 SECOND READING, GOVERNOR'S RECOM-
MENDED AMENDMENTS CONCURRED IN.

MARCH 6, 1987 THIRD READING, GOVERNOR'S RECOM-
MENDED AMENDMENTS CONCURRED IN.
RETURNED TO HOUSE.

IN THE HOUSE

MARCH 7, 1987 RECEIVED FROM SENATE.
SENT TO ENROLLING.

1 HOUSE BILL NO. 30
 2 INTRODUCED BY KITSELMAN

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING TRANSFER OF
 5 BEER BETWEEN LICENSED PREMISES; CLARIFYING WHOLESALERS'
 6 RESPONSIBILITIES IN THE DISTRIBUTION OF BEER; DEFINING
 7 "DISTRIBUTE" WITH REGARD TO BEER AND TABLE WINE; AMENDING
 8 SECTIONS 16-3-301, 16-4-103, AND 16-4-108, MCA; AND
 9 PROVIDING AN EFFECTIVE DATE."

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

12 Section 1. Section 16-3-301, MCA, is amended to read:

13 "16-3-301. Unlawful purchases, transfers, sales, or
 14 deliveries. (1) It ~~shall--be~~ is unlawful for a licensed
 15 retailer to purchase or acquire beer from anyone except a
 16 brewer or wholesaler licensed under the provisions of this
 17 code.

18 (2) It is unlawful for a licensed retailer to
 19 transport beer from one licensed premises or other facility
 20 to any other licensed premises owned by the licensee.

21 ~~(2)(3)~~ It ~~shall--be~~ is unlawful for any licensee, his
 22 or her employee or employees, or any other person to sell,
 23 deliver, or give away or cause or permit to be sold,
 24 delivered, or given away any alcoholic beverage to:

25 (a) any person under 19 years of age;

1 (b) any intoxicated person or any person actually,
 2 apparently, or obviously intoxicated.

3 ~~(3)(4)~~ Any person under 19 years of age or other
 4 person who knowingly misrepresents his or her qualifications
 5 for the purpose of obtaining an alcoholic beverage from such
 6 licensee ~~shall-be~~ is equally guilty with said licensee and
 7 ~~shall~~, upon conviction thereof, be is subject to the penalty
 8 provided in 45-5-624; ~~provided;--however;--that.~~ However,
 9 nothing herein contained ~~shall~~ may be construed as
 10 authorizing or permitting the sale of an alcoholic beverage
 11 to any person in violation of any federal law.

12 ~~(4)(5)~~ It ~~shall-be~~ is further mandatory under the
 13 provisions of this code that all licensees display in a
 14 prominent place in their premises a placard as issued by the
 15 department stating fully the consequences for violations of
 16 the provisions of this code by persons under 19 years of
 17 age."

18 NEW SECTION. Section 2. "Distribute" defined. As used
 19 in [sections 3 and 4], 16-4-103, and 16-4-108, "distribute"
 20 means to deliver beer or wine to a retailer's premises
 21 licensed to sell beer or table wine.

22 NEW SECTION. Section 3. Dock sales restricted. A beer
 23 wholesaler or a table wine distributor may not deliver beer
 24 or wine to a licensed retailer at any location other than
 25 the retailer's licensed premises, except that a retailer

1 located within the territory for which a wholesaler has been
 2 appointed to distribute a brand may personally or through
 3 his employee obtain from the wholesaler's warehouse
 4 quantities of beer not exceeding three barrels in packaged
 5 or draft form.

6 NEW SECTION. Section 4. Wholesalers' service
 7 obligations -- applicability. (1) A wholesaler appointed to
 8 distribute a brand of beer within a territory specified by
 9 agreement pursuant to 16-3-221(3) shall call on and offer
 10 that brand to at least 75% of the retailers within that
 11 territory at least every 3 weeks.

12 (2) If a retailer's account with a wholesaler is
 13 current as required under 16-3-243, the wholesaler may not
 14 refuse to sell the retailer any brand of beer for which the
 15 wholesaler has been appointed for the territory in which the
 16 retailer is located. The wholesaler shall offer to deliver
 17 the beer to such retailer at least every 3 weeks.

18 (3) This section applies to all beer distribution
 19 agreements entered into, assigned, or amended after July 1,
 20 1986. It does not apply to a distribution agreement for a
 21 named brand entered into before July 1, 1986, but does not
 22 prohibit a brewer party to such an agreement from requiring
 23 the appointed wholesaler to fulfill similar service
 24 obligations in the territory.

25 Section 5. Section 16-4-103, MCA, is amended to read:

1 "16-4-103. Wholesalers' licenses -- application for
 2 and issuance -- subwarehouses -- imported beer handled
 3 through warehouse or subwarehouse. (1) Any person desiring
 4 to sell and distribute beer as a wholesaler under the
 5 provisions of this code shall apply to the department for a
 6 license to do so and tender with his application the license
 7 fee provided for, and the department is hereby empowered,
 8 authorized, and directed to issue wholesale licenses to
 9 qualified applicants in accordance with the provisions of
 10 this code. Such license shall be at all times prominently
 11 displayed in the place of business of such wholesaler.

12 (2) An applicant shall have a fixed place of business,
 13 sufficient capital, the facilities, storehouse, receiving
 14 house, or warehouse for the receiving of, storage, handling,
 15 and moving of beer in large and jobbing quantities for
 16 distribution and sale in original packages to other licensed
 17 wholesalers or licensed retailers. Each wholesaler is
 18 entitled to only one wholesale license, which license shall
 19 be issued for his principal place of business in Montana. A
 20 duplicate license may be issued for one subwarehouse only,
 21 in Montana, for each wholesale licensee. The duplicate
 22 license shall at all times be prominently displayed at said
 23 subwarehouse.

24 (3) If the applicant is a foreign corporation, the
 25 corporation must be authorized to do business in Montana.

1 (4) As used in subsection (1), "distribute" has the
2 meaning given to it in [section 2]."

3 Section 6. Section 16-4-108, MCA, is amended to read:

4 "16-4-108. Wine distributor's license. (1) Any person
5 desiring to sell and distribute table wine at wholesale to
6 retailers under the provisions of this code shall apply to
7 the department of revenue for a license to do so and shall
8 tender with his application the annual license fee of \$400
9 and the department may issue licenses to qualified
10 applicants in accordance with the provisions of this code.

11 (2) All table wine distributors' licenses issued in
12 any year expire on June 30 at midnight of such year.

13 (3) No license fee may be imposed upon table wine
14 distributors by a municipality or any other political
15 subdivision of the state.

16 (4) The license shall be at all times prominently
17 displayed in the place of business of such table wine
18 distributor.

19 (5) An applicant shall have a fixed place of business,
20 sufficient capital, the facilities, storehouse, receiving
21 house or warehouse for the receiving of, storage, handling,
22 and moving of table wine in large and jobbing quantities for
23 distribution and sale in original packages to other licensed
24 table wine distributors or licensed retailers. Each table
25 wine distributor is entitled to only one wholesale table

1 wine license, which license shall be issued for his
2 principal place of business in Montana. A duplicate license
3 may be issued for one subwarehouse only in Montana for each
4 table wine distributor's license. The duplicate license
5 shall at all times be prominently displayed at said
6 subwarehouse. A table wine distributor may also hold a
7 license to sell beer at wholesale but shall not hold or have
8 any interest, direct or indirect, in any license to sell
9 beer, wine, or liquor at retail.

10 (6) If the applicant is a foreign corporation, the
11 corporation must be authorized to do business in Montana.

12 (7) As used in subsection (1), "distribute" has the
13 meaning given to it in [section 2]."

14 NEW SECTION. Section 7. Extension of authority. Any
15 existing authority of the department of revenue to make
16 rules on the subject of the provisions of this act is
17 extended to the provisions of this act.

18 NEW SECTION. Section 8. Codification instruction.
19 Sections 2 through 4 are intended to be codified as an
20 integral part of Title 16, chapter 3, part 2, and the
21 provisions of Title 16, chapter 3, part 2, apply to sections
22 2 through 4.

23 NEW SECTION. Section 9. Effective date. This act is
24 effective May 1, 1987.

-End-

RE-REFERRED AND
APPROVED BY COMM. ON
BUSINESS AND LABOR

1 HOUSE BILL NO. 30
2 INTRODUCED BY KITSELMAN

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING TRANSFER OF
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6 RESPONSIBILITIES IN THE DISTRIBUTION OF BEER; DEFINING
7 "DISTRIBUTE" WITH REGARD TO BEER AND TABLE WINE; AMENDING
8 SECTIONS 16-3-301, 16-4-103, AND 16-4-108, MCA; AND
9 PROVIDING AN EFFECTIVE DATE."

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

12 NEW SECTION. SECTION 1. PURPOSES. THE LEGISLATURE
13 FINDS AND DECLARES THAT THE PURPOSES OF 16-3-221 THROUGH
14 16-3-226 AND [THIS ACT] ARE TO ASSURE CONTINUED INTERBRAND
15 COMPETITION IN MALT BEVERAGE SALES THROUGH COMPETING
16 INDEPENDENT WHOLESALERS AND TO ASSURE BREWERIES THE ABILITY
17 TO PROTECT THE REPUTATIONS OF THEIR PRODUCTS THROUGH QUALITY
18 CONTROL ARRANGEMENTS.

19 Section 2. Section 16-3-301, MCA, is amended to read:
20 "16-3-301. Unlawful purchases, transfers, sales, or
21 deliveries. (1) It ~~shall--be~~ is unlawful for a licensed
22 retailer to purchase or acquire beer from anyone except a
23 brewer or wholesaler licensed under the provisions of this
24 code.

25 (2) It is unlawful for a licensed retailer to

1 transport beer from one licensed premises or other facility
2 to any other licensed premises owned by the licensee.

3 ~~(2)~~(3) It ~~shall-be~~ is unlawful for any licensee, his
4 or her employee or employees, or any other person to sell,
5 deliver, or give away or cause or permit to be sold,
6 delivered, or given away any alcoholic beverage to:

- 7 (a) any person under 19 years of age;
- 8 (b) any intoxicated person or any person actually,
9 apparently, or obviously intoxicated.

10 ~~(3)~~(4) Any person under 19 years of age or other
11 person who knowingly misrepresents his or her qualifications
12 for the purpose of obtaining an alcoholic beverage from such
13 licensee ~~shall--be~~ is equally guilty with said licensee and
14 ~~shall~~, upon conviction thereof, be is subject to the penalty
15 provided in 45-5-624~~;~~~~provided;~~~~however;~~~~that.~~ However,
16 nothing herein contained ~~shall~~ may be construed as
17 authorizing or permitting the sale of an alcoholic beverage
18 to any person in violation of any federal law.

19 ~~(4)~~(5) It ~~shall--be~~ is further mandatory under the
20 provisions of this code that all licensees display in a
21 prominent place in their premises a placard as issued by the
22 department stating fully the consequences for violations of
23 the provisions of this code by persons under 19 years of
24 age."

25 NEW SECTION. Section 3. "Distribute" defined. As used

SECOND READING



1 in [sections 3 and 4], 16-4-103, and 16-4-108, "distribute"
2 means to deliver beer or wine to a retailer's premises
3 licensed to sell beer or table wine.

4 NEW SECTION. Section 4. Dock sales restricted. A beer
5 wholesaler or a table wine distributor may not deliver beer
6 or wine to a licensed retailer at any location other than
7 the retailer's licensed premises, except that a retailer
8 ~~OTHER--THAN--AN--ALL-BEVERAGES--LICENSEE,~~ located within the
9 territory for which a wholesaler has been appointed to
10 distribute a brand may personally or through his employee
11 obtain from the wholesaler's warehouse quantities of beer
12 not exceeding three barrels in packaged or draft form. AN
13 ALL-BEVERAGES LICENSEE MAY UPON PRESENTATION OF HIS LICENSE
14 OR A PHOTOCOPY OF HIS LICENSE PERSONALLY OBTAIN FROM ANY
15 WHOLESALE'S WAREHOUSE SUCH QUANTITIES OF BEER AS HE AND THE
16 WHOLESALE MAY AGREE TO BUY AND SELL.

17 NEW SECTION. Section 5. Wholesalers' service
18 obligations -- applicability. (1) A wholesaler appointed to
19 distribute a brand of beer within a territory specified by
20 agreement pursuant to 16-3-221(3) shall call on and offer
21 that brand to at least 75% of the retailers within that
22 territory at least every 3 weeks.

23 (2) If a retailer's account with a wholesaler is
24 current as required under 16-3-243, the wholesaler may not
25 refuse to sell the retailer any brand of beer for which the

1 wholesaler has been appointed for the territory in which the
2 retailer is located. The wholesaler shall offer to deliver
3 the beer to such retailer at least every 3 weeks.

4 (3) This section applies to all beer distribution
5 agreements entered into, assigned, or amended after July 1,
6 1986. It does not apply to a distribution agreement for a
7 named brand entered into before July 1, 1986, but does not
8 prohibit a brewer party to such an agreement from requiring
9 the appointed wholesaler to fulfill similar service
10 obligations in the territory.

11 Section 6. Section 16-4-103, MCA, is amended to read:
12 "16-4-103. Wholesalers' licenses -- application for
13 and issuance -- subwarehouses -- imported beer handled
14 through warehouse or subwarehouse. (1) Any person desiring
15 to sell and distribute beer as a wholesaler under the
16 provisions of this code shall apply to the department for a
17 license to do so and tender with his application the license
18 fee provided for, and the department is hereby empowered,
19 authorized, and directed to issue wholesale licenses to
20 qualified applicants in accordance with the provisions of
21 this code. Such license shall be at all times prominently
22 displayed in the place of business of such wholesaler.

23 (2) An applicant shall have a fixed place of business,
24 sufficient capital, the facilities, storehouse, receiving
25 house, or warehouse for the receiving of, storage, handling,

1 and moving of beer in large and jobbing quantities for
 2 distribution and sale in original packages to other licensed
 3 wholesalers or licensed retailers. Each wholesaler is
 4 entitled to only one wholesale license, which license shall
 5 be issued for his principal place of business in Montana. A
 6 duplicate license may be issued for one subwarehouse only,
 7 in Montana, for each wholesale licensee. The duplicate
 8 license shall at all times be prominently displayed at said
 9 subwarehouse.

10 (3) If the applicant is a foreign corporation, the
 11 corporation must be authorized to do business in Montana.

12 (4) As used in subsection (1), "distribute" has the
 13 meaning given to it in [section 2]."

14 Section 7. Section 16-4-108, MCA, is amended to read:
 15 "16-4-108. Wine distributor's license. (1) Any person
 16 desiring to sell and distribute table wine at wholesale to
 17 retailers under the provisions of this code shall apply to
 18 the department of revenue for a license to do so and shall
 19 tender with his application the annual license fee of \$400
 20 and the department may issue licenses to qualified
 21 applicants in accordance with the provisions of this code.

22 (2) All table wine distributors' licenses issued in
 23 any year expire on June 30 at midnight of such year.

24 (3) No license fee may be imposed upon table wine
 25 distributors by a municipality or any other political

1 subdivision of the state.

2 (4) The license shall be at all times prominently
 3 displayed in the place of business of such table wine
 4 distributor.

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 17 subwarehouse. A table wine distributor may also hold a
 18 license to sell beer at wholesale but shall not hold or have
 19 any interest, direct or indirect, in any license to sell
 20 beer, wine, or liquor at retail.

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 22 corporation must be authorized to do business in Montana.

23 (7) As used in subsection (1), "distribute" has the
 24 meaning given to it in [section 2]."

25 NEW SECTION. Section 8. Extension of authority. Any

1 existing authority of the department of revenue to make
2 rules on the subject of the provisions of this act is
3 extended to the provisions of this act.

4 NEW SECTION. Section 9. Codification instruction.
5 Sections 2 through 4 are intended to be codified as an
6 integral part of Title 16, chapter 3, part 2, and the
7 provisions of Title 16, chapter 3, part 2, apply to sections
8 2 through 4.

9 NEW SECTION. SECTION 10. SEVERABILITY. IF A PART OF
10 THIS ACT IS INVALID, ALL VALID PARTS THAT ARE SEVERABLE FROM
11 THE INVALID PART REMAIN IN EFFECT. IF A PART OF THIS ACT IS
12 INVALID IN ONE OR MORE OF ITS APPLICATIONS, THE PART REMAINS
13 IN EFFECT IN ALL VALID APPLICATIONS THAT ARE SEVERABLE FROM
14 THE INVALID APPLICATIONS.

15 NEW SECTION. Section 11. Effective date. This act is
16 effective May 1, 1987.

-End-

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20 qualified applicants in accordance with the provisions of
21 this code. Such license shall be at all times prominently
22 displayed in the place of business of such wholesaler.

23 (2) An applicant shall have a fixed place of business,
24 sufficient capital, the facilities, storehouse, receiving
25 house, or warehouse for the receiving of, storage, handling,

1 and moving of beer in large and jobbing quantities for
 2 distribution and sale in original packages to other licensed
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A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING TRANSFER OF BEER BETWEEN LICENSED PREMISES; CLARIFYING WHOLESALERS' RESPONSIBILITIES IN THE DISTRIBUTION OF BEER; DEFINING "DISTRIBUTE" WITH REGARD TO BEER AND TABLE WINE; AMENDING SECTIONS 16-3-301, 16-4-103, AND 16-4-108, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

NEW SECTION. SECTION 1. PURPOSES. THE LEGISLATURE FINDS AND DECLARES THAT THE PURPOSES OF 16-3-221 THROUGH 16-3-226 AND [THIS ACT] ARE TO ASSURE CONTINUED INTERBRAND COMPETITION IN MALT BEVERAGE SALES THROUGH COMPETING INDEPENDENT WHOLESALERS AND TO ASSURE BREWERIES THE ABILITY TO PROTECT THE REPUTATIONS OF THEIR PRODUCTS THROUGH QUALITY CONTROL ARRANGEMENTS.

Section 2. Section 16-3-301, MCA, is amended to read:
"16-3-301. Unlawful purchases, transfers, sales, or deliveries. (1) It ~~shall--be~~ is unlawful for a licensed retailer to purchase or acquire beer from anyone except a brewer or wholesaler licensed under the provisions of this code.

(2) It is unlawful for a licensed retailer to

transport beer from one licensed premises or other facility to any other licensed premises owned by the licensee.

~~(2)~~(3) It ~~shall--be~~ is unlawful for any licensee, his or her employee or employees, or any other person to sell, deliver, or give away or cause or permit to be sold, delivered, or given away any alcoholic beverage to:

- (a) any person under 19 years of age;
- (b) any intoxicated person or any person actually, apparently, or obviously intoxicated.

~~(3)~~(4) Any person under 19 years of age or other person who knowingly misrepresents his or her qualifications for the purpose of obtaining an alcoholic beverage from such licensee ~~shall--be~~ is equally guilty with said licensee and ~~shall~~, upon conviction thereof, be is subject to the penalty provided in 45-5-624;--~~provided;--however;--that.~~ However, nothing herein contained ~~shall~~ may be construed as authorizing or permitting the sale of an alcoholic beverage to any person in violation of any federal law.

~~(4)~~(5) It ~~shall--be~~ is further mandatory under the provisions of this code that all licensees display in a prominent place in their premises a placard as issued by the department stating fully the consequences for violations of the provisions of this code by persons under 19 years of age."

NEW SECTION. Section 3. "Distribute" defined. As used

1 in [sections 3 and 4], 16-4-103, and 16-4-108, "distribute"
 2 means to deliver beer or wine to a retailer's premises
 3 licensed to sell beer or table wine.

4 NEW SECTION. Section 4. Dock sales restricted. A beer
 5 wholesaler or a table wine distributor may not deliver beer
 6 or wine to a licensed retailer at any location other than
 7 the retailer's licensed premises, except that a retailer 7
 8 ~~OTHER--THAN--AN--ALL-BEVERAGES--LICENSEE~~ located within the
 9 territory for which a wholesaler has been appointed to
 10 distribute a brand may personally or through his employee
 11 obtain from the wholesaler's warehouse quantities of beer
 12 not exceeding three barrels in packaged or draft form. AN
 13 ALL-BEVERAGES LICENSEE MAY UPON PRESENTATION OF HIS LICENSE
 14 OR A PHOTOCOPY OF HIS LICENSE PERSONALLY OBTAIN FROM ANY
 15 WHOLESALER'S WAREHOUSE SUCH QUANTITIES OF BEER AS HE AND THE
 16 WHOLESALER MAY AGREE TO BUY AND SELL.

17 NEW SECTION. Section 5. Wholesalers' service
 18 obligations -- applicability. (1) A wholesaler appointed to
 19 distribute a brand of beer within a territory specified by
 20 agreement pursuant to 16-3-221(3) shall call on and offer
 21 that brand to at least 75% of the retailers within that
 22 territory at least every 3 weeks.

23 (2) If a retailer's account with a wholesaler is
 24 current as required under 16-3-243, the wholesaler may not
 25 refuse to sell the retailer any brand of beer for which the

1 wholesaler has been appointed for the territory in which the
 2 retailer is located. The wholesaler shall offer to deliver
 3 the beer to such retailer at least every 3 weeks.

4 (3) This section applies to all beer distribution
 5 agreements entered into, assigned, or amended after July 1,
 6 1986. It does not apply to a distribution agreement for a
 7 named brand entered into before July 1, 1986, but does not
 8 prohibit a brewer party to such an agreement from requiring
 9 the appointed wholesaler to fulfill similar service
 10 obligations in the territory.

11 Section 6. Section 16-4-103, MCA, is amended to read:
 12 "16-4-103. Wholesalers' licenses -- application for
 13 and issuance -- subwarehouses -- imported beer handled
 14 through warehouse or subwarehouse. (1) Any person desiring
 15 to sell and distribute beer as a wholesaler under the
 16 provisions of this code shall apply to the department for a
 17 license to do so and tender with his application the license
 18 fee provided for, and the department is hereby empowered,
 19 authorized, and directed to issue wholesale licenses to
 20 qualified applicants in accordance with the provisions of
 21 this code. Such license shall be at all times prominently
 22 displayed in the place of business of such wholesaler.

23 (2) An applicant shall have a fixed place of business,
 24 sufficient capital, the facilities, storehouse, receiving
 25 house, or warehouse for the receiving of, storage, handling,

1 and moving of beer in large and jobbing quantities for
 2 distribution and sale in original packages to other licensed
 3 wholesalers or licensed retailers. Each wholesaler is
 4 entitled to only one wholesale license, which license shall
 5 be issued for his principal place of business in Montana. A
 6 duplicate license may be issued for one subwarehouse only,
 7 in Montana, for each wholesale licensee. The duplicate
 8 license shall at all times be prominently displayed at said
 9 subwarehouse.

10 (3) If the applicant is a foreign corporation, the
 11 corporation must be authorized to do business in Montana.

12 (4) As used in subsection (1), "distribute" has the
 13 meaning given to it in [section 2]."

14 Section 7. Section 16-4-108, MCA, is amended to read:

15 "16-4-108. Wine distributor's license. (1) Any person
 16 desiring to sell and distribute table wine at wholesale to
 17 retailers under the provisions of this code shall apply to
 18 the department of revenue for a license to do so and shall
 19 tender with his application the annual license fee of \$400
 20 and the department may issue licenses to qualified
 21 applicants in accordance with the provisions of this code.

22 (2) All table wine distributors' licenses issued in
 23 any year expire on June 30 at midnight of such year.

24 (3) No license fee may be imposed upon table wine
 25 distributors by a municipality or any other political

1 subdivision of the state.

2 (4) The license shall be at all times prominently
 3 displayed in the place of business of such table wine
 4 distributor.

5 (5) An applicant shall have a fixed place of business,
 6 sufficient capital, the facilities, storehouse, receiving
 7 house or warehouse for the receiving of, storage, handling,
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 11 wine distributor is entitled to only one wholesale table
 12 wine license, which license shall be issued for his
 13 principal place of business in Montana. A duplicate license
 14 may be issued for one subwarehouse only in Montana for each
 15 table wine distributor's license. The duplicate license
 16 shall at all times be prominently displayed at said
 17 subwarehouse. A table wine distributor may also hold a
 18 license to sell beer at wholesale but shall not hold or have
 19 any interest, direct or indirect, in any license to sell
 20 beer, wine, or liquor at retail.

21 (6) If the applicant is a foreign corporation, the
 22 corporation must be authorized to do business in Montana.

23 (7) As used in subsection (1), "distribute" has the
 24 meaning given to it in [section 2]."

25 NEW SECTION. Section 8. Extension of authority. Any

1 existing authority of the department of revenue to make
2 rules on the subject of the provisions of this act is
3 extended to the provisions of this act.

4 NEW SECTION. Section 9. Codification instruction.
5 Sections 2 through 4 are intended to be codified as an
6 integral part of Title 16, chapter 3, part 2, and the
7 provisions of Title 16, chapter 3, part 2, apply to sections
8 2 through 4.

9 NEW SECTION. SECTION 10. SEVERABILITY. IF A PART OF
10 THIS ACT IS INVALID, ALL VALID PARTS THAT ARE SEVERABLE FROM
11 THE INVALID PART REMAIN IN EFFECT. IF A PART OF THIS ACT IS
12 INVALID IN ONE OR MORE OF ITS APPLICATIONS, THE PART REMAINS
13 IN EFFECT IN ALL VALID APPLICATIONS THAT ARE SEVERABLE FROM
14 THE INVALID APPLICATIONS.

15 NEW SECTION. Section 11. Effective date. This act is
16 effective May 1, 1987.

-End-

GOVERNOR'S PROPOSED AMENDMENTS
TO HOUSE BILL NO. 30
REFERENCE COPY
February 16, 1987

1. Page 3, line 1.
Following: "sections"
Strike: "3 and"
Following: "4"
Insert: "and 5"
2. Page 5, line 13.
Following: "section"
Strike: "2"
Insert: "3"
3. Page 6, line 24.
Following: "section"
Strike: "2"
Insert: "3"
4. Page 7, line 5.
Following: "Sections"
Strike: "2"
Insert: "3"
Following: "through"
Strike: "4"
Insert: "5"
5. Page 7, line 8.
Following: line 7
Strike: "2"
Insert: "3"
Following: "through"
Strike: "4"
Insert: "5"

HOUSE BILL NO. 30

INTRODUCED BY KITSELMAN

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9 territory for which a wholesaler has been appointed to
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