

SB 201 INTRODUCED BY STORY  
DEFINING "PREMISES" TO INCLUDE MORE THAN ONE  
BUILDING  
1/23 INTRODUCED  
1/23 REFERRED TO BUSINESS & INDUSTRY  
1/30 HEARING  
2/16 TABLED IN COMMITTEE

1 Senate BILL NO. 201  
2 INTRODUCED BY Stow

3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT DEFINING THE TERM  
5 "PREMISES" FOR PURPOSES OF ALCOHOLIC BEVERAGE LICENSING;  
6 DIRECTING THE AMENDMENT OF RULE 42.13.105, ADMINISTRATIVE  
7 RULES OF MONTANA; AND AMENDING SECTION 16-1-106, MCA."

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

10 Section 1. Section 16-1-106, MCA, is amended to read:  
11 "16-1-106. Definitions. As used in this code, the  
12 following definitions apply:

13 (1) "Agency agreement" means an agreement between the  
14 department and a person appointed to sell liquor as a  
15 commission merchant rather than as an employee.

16 (2) "Alcohol" means ethyl alcohol, also called  
17 ethanol, or the hydrated oxide of ethyl.

18 (3) "Alcoholic beverage" means a compound produced and  
19 sold for human consumption as a drink that contains more  
20 than .5% of alcohol by volume.

21 (4) "Beer" means a malt beverage containing not more  
22 than 7% of alcohol by weight.

23 (5) "Beer importer" means a person other than a brewer  
24 who imports malt beverages.

25 (6) "Brewer" means a person who produces malt

1 beverages.

2 (7) "Department" means the department of revenue.

3 (8) "Immediate family" means a spouse, dependent  
4 children, or dependent parents.

5 (9) "Import" means to transfer beer or table wine from  
6 outside the state of Montana into the state of Montana.

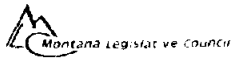
7 (10) "Industrial use" means a use described as  
8 industrial use by the federal Alcohol Administration Act and  
9 the federal rules and regulations of 27 CFR.

10 (11) "Liquor" means an alcoholic beverage except beer  
11 and table wine.

12 (12) "Malt beverage" means an alcoholic beverage made  
13 by the fermentation of an infusion or decoction, or a  
14 combination of both, in potable brewing water, of malted  
15 barley with or without hops or their parts or their products  
16 and with or without other malted cereals and with or without  
17 the addition of unmalted or prepared cereals, other  
18 carbohydrates, or products prepared therefrom and with or  
19 without other wholesome products suitable for human food  
20 consumption.

21 (13) "Package" means a container or receptacle used for  
22 holding an alcoholic beverage.

23 (14) "Posted price" means the retail price of liquor as  
24 fixed and determined by the department and in addition  
25 thereto an excise and license tax as provided in this code.



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1 (15) "Premises" means:

2 (a) the building or specific portion of a building in  
 3 which a retail liquor or beer and wine business is  
 4 conducted, including areas in which the licensee operates a  
 5 sidewalk cafe or outdoor restaurant or tavern adjacent to  
 6 the building and to which patrons have free access from the  
 7 building; or

8 (b) two or more adjacent buildings in which a single  
 9 retail liquor or beer and wine business is conducted under  
 10 one management, if no public road intervenes and if the  
 11 distance between the public entrances does not exceed 1,000  
 12 feet.

13 ~~(15)~~(16) "Proof gallon" means a U.S. gallon of liquor  
 14 at 60 degrees on the Fahrenheit scale that contains 50% of  
 15 alcohol by volume.

16 ~~(16)~~(17) "Public place" means a place, building, or  
 17 conveyance to which the public has or may be permitted to  
 18 have access and any place of public resort.

19 ~~(17)~~(18) "Rules" means rules published by the  
 20 department pursuant to this code.

21 ~~(18)~~(19) "State liquor facility" means a facility owned  
 22 or under control of the department for the purpose of  
 23 receiving, storing, transporting, or selling alcoholic  
 24 beverages.

25 ~~(19)~~(20) "State liquor store" means a retail store

1 operated by the department in accordance with this code for  
 2 the purpose of selling liquor.

3 ~~(20)~~(21) "Storage depot" means a building or structure  
 4 owned or operated by a brewer at any point in the state of  
 5 Montana off and away from the premises of a brewery, and  
 6 which structure is equipped with refrigeration or cooling  
 7 apparatus for the storage of beer and from which a brewer  
 8 may sell or distribute beer as permitted by this code.

9 ~~(21)~~(22) "Subwarehouse" means a building or structure  
 10 owned or operated by a licensed beer wholesaler or table  
 11 wine distributor, located at a site in Montana other than  
 12 the site of such beer wholesaler's or table wine  
 13 distributor's warehouse or principal place of business, and  
 14 used for the receiving, storage, and distribution of beer or  
 15 table wine as permitted by this code.

16 ~~(22)~~(23) "Table wine" means wine as defined below which  
 17 contains not more than 16% alcohol by volume.

18 ~~(23)~~(24) "Warehouse" means a building or structure  
 19 located in Montana owned or operated by a licensed beer  
 20 wholesaler or table wine distributor for the receiving,  
 21 storage, and distribution of beer or table wine as permitted  
 22 by this code.

23 ~~(24)~~(25) "Wine" means an alcoholic beverage made from  
 24 or containing the normal alcoholic fermentation of the juice  
 25 of sound, ripe fruit or other agricultural products without

1 addition or abstraction, except as may occur in the usual  
 2 cellar treatment of clarifying and aging, and that contains  
 3 more than 0.5% but not more than 24% of alcohol by volume.  
 4 Wine may be ameliorated to correct natural deficiencies,  
 5 sweetened, and fortified in accordance with applicable  
 6 federal regulations and the customs and practices of the  
 7 industry. Other alcoholic beverages not defined as above  
 8 but made in the manner of wine and labeled and sold as wine  
 9 in accordance with federal regulations are also wine."

10 Section 2. The Department of Revenue shall amend Rule  
 11 42.13.105, Administrative Rules of Montana, to read:

12 "42.13.105 APPLICABILITY OF LICENSES (1) All licenses  
 13 shall be applicable only to the premises in respect to which  
 14 they were issued. Where a licensee conducts as a single  
 15 business enterprise two or more bars located on the same  
 16 premises and which have such intercommunication as will  
 17 enable patrons to move freely from one bar to another  
 18 without leaving the premises, the various bars shall be  
 19 regarded as but one premises for which but one license is  
 20 required. ~~in all other cases licenses must be obtained for~~  
 21 ~~each bar even though operated in the same building with~~  
 22 ~~another bar~~

23 (2) ~~The term "premises" shall be construed to mean the~~  
 24 ~~building or specific portion of any building in which the~~  
 25 ~~liquor and/or beer business is conducted as those areas in~~

1 ~~which the licensee operates a sidewalk cafe, open air~~  
 2 ~~restaurant, or tavern outside of and adjacent to the~~  
 3 ~~licensed building and to which patrons are permitted free~~  
 4 ~~access from said building."~~

5 NEW SECTION. Section 3. Extension of authority. Any  
 6 existing authority of the department of revenue to make  
 7 rules on the subject of the provisions of this act is  
 8 extended to the provisions of this act.

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