

1 HOUSE BILL NO. 123
2 INTRODUCED BY K. ZOLNIKOV

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING ALCOHOL LAWS RELATING TO SELF-SERVICE OF
5 BEER AND WINE; PROVIDING RESTRICTIONS FOR SELF-POUR OF BEER AND WINE; ALLOWING SELF-
6 POUR FOR ELECTRONIC DEVICES OR OTHER TECHNOLOGY-BASED DEVICES; PROVIDING
7 EXEMPTIONS TO THE TERM "SELF SERVICE"; PROVIDING FOR ALCOHOL LICENSEE SUPERVISION OF
8 SELF-POUR; AND AMENDING SECTION 16-3-311, MCA."

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

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12 Section 1. Section 16-3-311, MCA, is amended to read:

13 **"16-3-311. Suitable premises for licensed retail establishments.** (1) (a) A licensed retailer may
14 use a part of a building as premises licensed for on-premises consumption of alcoholic beverages, except as
15 otherwise allowed in 16-3-302(4). The licensed retailer must demonstrate that it has adequate control over all
16 alcoholic beverages to prevent self-service, service to underage persons, and service to persons who are
17 actually or apparently intoxicated. Except as provided in subsections (8), (10), and (11), the premises must be
18 separated from the rest of the building by permanent walls but may have inside access to the rest of the
19 building at all times even if the businesses or uses in the other part of the building are unrelated to the
20 operation of the premises in which the alcoholic beverages are served. A licensee may lease the kitchen or
21 another specified area to allow another business entity to operate a business within its premises without
22 permanent floor-to-ceiling walls and without a concession agreement if the other business does not take orders
23 for, serve, or deliver alcohol and has a separate point of sale system. If the premises are located in a portion of
24 a building, the licensed retailer must be able to demonstrate that there are adequate safeguards in place to
25 prevent public access to alcoholic beverages after hours, either by the presence of a lockable door or other
26 security features such as rolling gates, locking cabinets, tap locks, or key card access. For the purposes of this
27 subsection (1)(a), the term "self-service" does not include when customers self-pour beer and wine after an on-
28 premises licensee, including the licensee's employees, concessionaire, or concessionaire's employees, has

1 provided alcohol, including:

2 (i) large containers of beer or wine, such as pitchers, buckets, or bottles, but not including liquor;

3 or

4 (ii) if approved by the department, electronic devices or other technology-based devices with
5 predetermined limits used to measure and supply customers with a predetermined volume of beer or wine if the
6 electronic device or other technology-based device is monitored by the licensee, the licensee's employees, the
7 concessionaire, or the concessionaire's employees to ensure that people are not overserved.

8 (b) A resort retail all-beverages licensee, a retail all-beverages licensee, or an on-premises
9 consumption beer and wine licensee within the boundaries of a resort area may also utilize up to three alternate
10 alcoholic beverage storage facilities as allowed in 16-4-213(8).

11 (2) A licensee may alter the approved floorplan of the premises. The alteration must be consistent
12 with the requirements of subsection (1)(a). A licensee shall provide a copy of the revised floorplan with the
13 proposed alteration for the licensed premises to the department within 7 days of beginning the alteration.
14 Department approval may not be unreasonably withheld. If the completed alteration differs from the approved
15 alteration due to modifications required for approval by other state or local government entities, such as
16 compliance with fire or building codes, the department must be notified, but preapproval is not required for
17 these modifications. An alteration for the purposes of this section is any structural change in a premises that
18 does not increase the square footage of the existing approved premises. An alteration that increases the
19 square footage of the existing approved premises must be approved by the department prior to beginning the
20 alteration. A cosmetic change, such as painting, carpeting, or other interior decorating, is not considered an
21 alteration under this section. If the alteration does not require the licensee to obtain a building permit, then the
22 inspections by local government agencies may not be required for department approval.

23 (3) The interior portion of the licensed premises must be a continuous area that is under the
24 control of the licensee and not interrupted by any area in which the licensee does not have adequate control
25 and includes multiple floors on the premises and common areas necessarily shared by multiple building tenants
26 in order to allow patrons to access other tenant businesses or private dwellings in the same building, including
27 but not limited to entryways, hallways, stairwells, and elevators.

28 (4) The premises may include one or more exterior patios or decks as long as sufficient physical

1 safeguards are in place to ensure proper service and consumption of alcoholic beverages. An additional
2 perimeter barrier may not be required if an existing boundary naturally defines the outdoor service area and
3 impedes foot traffic.

4 (5) Premises suitability does not include a minimum number of seats.

5 (6) A licensed retailer may apply to the department to have a noncontiguous storage area that is
6 under the control of the licensed retailer approved for onsite alcoholic beverage storage separate from its
7 service area as long as the licensed retailer demonstrates that there are adequate safeguards in place to
8 prevent public access to alcoholic beverages after hours, either by the presence of a lockable door or other
9 security features such as rolling gates, locking cabinets, tap locks, or key card access. The application fee is
10 \$100. On department approval, an on-premises consumption retailer's keg storage and beer lines running into
11 the licensed premises may be in a noncontiguous storage area provided that the licensee is able to maintain
12 control and adequate safeguards are in place to prevent public access.

13 (7) A licensed retailer operating within a hotel or similar short-term lodging facility may apply to the
14 department to allow for the delivery of alcoholic beverages to guests of accommodation units, and the
15 prestocking of alcoholic beverages in accommodation units is allowed for the accommodation units within the
16 property as long as the purchaser's age is verified and there are adequate safeguards in place to prevent
17 underage service. The application fee is \$100.

18 (8) An on-premises consumption retailer may be located adjacent to a brewery or winery if the
19 licensees are able to maintain control of their respective premises through adequate physical separation.

20 (9) (a) For the purposes of this section, "adequate physical separation" means:

21 (i) the premises of the retailer and the premises of the brewery or winery are secured after
22 business hours from each other and from any other business, including but not limited to prohibiting a customer
23 from accessing a brewery sample room and purchasing alcohol after the brewery tasting room hours of
24 operation as specified in 16-3-213(2)(b); and

25 (ii) the separation may include doors, gates, or windows that may be left open during business
26 hours.

27 (b) The term does not require permanent floor-to-ceiling walls.

28 (10) For colocated premises authorized in 16-4-401(9), there are no physical separation

1 requirements applied by this code but the licensee shall follow any federal requirements.

2 (11) A public airport all-beverages licensee, licensed pursuant to 16-4-208, or the Yellowstone
3 airport beer and wine licensee, licensed pursuant to 16-4-304, may use the airport terminal or part of the
4 terminal as premises licensed for the on-premises consumption of alcoholic beverages without regard to other
5 businesses or uses in the terminal. The airport licensee must be able to demonstrate that there are adequate
6 safeguards in place to prevent public access to alcoholic beverages after hours, either by the presence of a
7 lockable door or other security features such as rolling gates, locking cabinets, tap locks, or key card access."

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