

## 1 HOUSE BILL NO. 613

2 INTRODUCED BY S. VINTON

3

4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR A LIMITED ALL-BEVERAGES LICENSE FOR  
5 CONTINUING CARE RETIREMENT COMMUNITIES; SETTING REQUIREMENTS; PROVIDING RULEMAKING  
6 AUTHORITY; AMENDING SECTIONS 16-4-201 AND 16-4-501, MCA; AND PROVIDING AN EFFECTIVE DATE."

7

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

9

10 NEW SECTION. **Section 1. Limited all-beverages license for continuing care retirement**  
11 **communities -- requirements -- rulemaking -- definitions.** (1) A continuing care retirement community may  
12 apply to the department for a limited, nontransferable all-beverages license that is exempt from the quota under  
13 16-4-201 if the following conditions are met:

14 (a) the applicant meets the requirements of 16-4-401, complies with 16-4-207 and 16-4-402, and pays  
15 an application fee of \$500, which constitutes the first annual license fee. If an application is denied, the  
16 department shall refund 75% of the application fee. Annual license renewal fees are as provided in 16-4-501.

17 (b) the continuing care retirement community has a central dining area at which the alcoholic beverages  
18 may be served or purchased for on-premises consumption;

19 (c) the serving hours for alcoholic beverages are within the hours of 11 a.m. to 8 p.m.;

20 (d) those serving the alcoholic beverages must be 18 years of age or older and have completed the  
21 responsible server and sales training program as provided in 16-4-1005; and

22 (e) those purchasing the alcoholic beverages must be residents of the continuing care retirement  
23 community or guests of a resident of the continuing care retirement community.

24 (2) The limited all-beverages license for a continuing care retirement community does not authorize  
25 gaming or gambling under Title 23, chapter 5, parts 3, 5, or 6, but may allow live bingo or keno if the continuing  
26 care retirement community is authorized under 23-5-405 for live bingo and keno and complies with Title 23,  
27 chapter 5, part 4.

28 (3) The limited all-beverage license does not allow sale of an alcoholic beverage for off-premises  
29 consumption, is subject to 16-3-241, and does not entitle the licensee to a catering endorsement under 16-4-204.

30 (4) This section does not ban from the continuing care retirement community's residential areas the

1 residents' possession of alcoholic beverages otherwise obtained.

2 (5) The department may make rules to implement this section as necessary to recognize the combination  
3 of individual residences and communal areas that a continuing care retirement community represents.

4 (6) For the purposes of this section, the following definitions apply:

5 (a) "Continuing care retirement community" means a residential facility on one campus under the same  
6 operator that:

7 (i) is administered under professional licensure by the department of public health and human services;  
8 and

9 (ii) provides to individuals 55 years of age or older an independent living option and a graduated level  
10 of care. The graduated level of care may include an assisted living facility as defined in 50-5-101.

11 (b) "Guest" means an individual who is either the nonresident spouse of a resident of the continuing care  
12 retirement community or an individual invited by a resident.

13 (c) "On-premises" means within the confines of the continuing care retirement community campus.  
14

15 **Section 2.** Section 16-4-201, MCA, is amended to read:

16 **"16-4-201. All-beverages license quota.** (1) Except as otherwise provided by law, a license to sell  
17 liquor, beer, and table wine at retail, an all-beverages license, in accordance with the provisions of this code and  
18 the rules of the department, may be issued to any person who is approved by the department as a fit and proper  
19 person to sell alcoholic beverages, except that the number of all-beverages licenses that the department may  
20 issue for premises situated within incorporated cities and incorporated towns and within a distance of 5 miles from  
21 the corporate limits of those cities and towns must be determined on the basis of population prescribed in  
22 16-4-502 as follows:

23 (a) in incorporated towns of 500 inhabitants or less and within a distance of 5 miles from the corporate  
24 limits of the towns, not more than two retail licenses;

25 (b) in incorporated cities or incorporated towns of more than 500 inhabitants and not ~~over~~ more than  
26 3,000 inhabitants and within a distance of 5 miles from the corporate limits of the cities and towns, three retail  
27 licenses for the first 1,000 inhabitants and one retail license for each additional 1,000 inhabitants;

28 (c) in incorporated cities of ~~over~~ more than 3,000 inhabitants and within a distance of 5 miles from the  
29 corporate limits of the cities, five retail licenses for the first 3,000 inhabitants and one retail license for each  
30 additional 1,500 inhabitants.

1           (2) The number of inhabitants in each incorporated city or incorporated town, exclusive of the number  
2 of inhabitants residing within a distance of 5 miles from the corporate limits of the city or town, governs the  
3 number of retail licenses that may be issued for use within the city or town and within a distance of 5 miles from  
4 the corporate limits of the city or town. The distance of 5 miles from the corporate limits of any incorporated city  
5 or incorporated town must be measured in a straight line from the nearest entrance of the premises proposed  
6 for licensing to the nearest corporate boundary of the city or town.

7           (3) When the 5-mile boundary of one incorporated city or incorporated town overlaps the 5-mile boundary  
8 of another incorporated city or incorporated town, the quota area for each city or town terminates in a straight line  
9 equidistant between each city or town.

10           (4) For a period of 12 years after November 24, 2017, existing licenses as of November 24, 2017, in  
11 either of two quota areas that were established as provided in subsection (3) may be transferred between the two  
12 quota areas if they were part of a combined quota area prior to November 24, 2017.

13           (5) If any new retail all-beverages licenses are allowed by separating a combined quota area that existed  
14 as of November 24, 2017, as provided in subsection (3), the department shall publish the availability of no more  
15 than one new retail all-beverages license a year until the quota has been reached.

16           (6) Retail all-beverages licenses of issue on March 7, 1947, and all-beverages licenses issued under  
17 16-4-209 that are in excess of the limitations in subsections (1) and (2) are renewable, but new licenses may not  
18 be issued in violation of the limitations.

19           (7) The limitations in subsections (1) and (2) do not prevent the issuance of a nontransferable and  
20 nonassignable, as to ownership only, retail license to:

21           (a) an enlisted personnel, noncommissioned officers', or officers' club located on a state or federal military  
22 reservation on May 13, 1985, ~~or to:~~

23           (b) any post of a nationally chartered veterans' organization or any lodge of a recognized national  
24 fraternal organization if the veterans' or fraternal organization has been in existence for a period of 5 years or  
25 more prior to January 1, 1949; or

26           (c) a continuing care retirement community as provided in [section 1].

27           (8) The number of retail all-beverages licenses that the department may issue for use at premises  
28 situated outside of any incorporated city or incorporated town and outside of the area within a distance of 5 miles  
29 from the corporate limits of a city or town may not be more than one license for each 750 in population of the  
30 county after excluding the population of incorporated cities and incorporated towns in the county.

1 (9) An all-beverages license issued under subsection (8) that becomes located within 5 miles of an  
2 incorporated city or town because of annexation after April 15, 2005, may not be transferred to another location  
3 within the city quota area for 5 years from the date of annexation.

4 (10) The department may adopt rules to implement this section."  
5

6 **Section 3.** Section 16-4-501, MCA, is amended to read:

7 **"16-4-501. License and permit fees.** (1) Each beer licensee licensed to sell either beer or table wine  
8 only or both beer and table wine under the provisions of this code shall pay a license fee. Unless otherwise  
9 specified in this section, the fee is an annual fee and is imposed as follows:

10 (a) (i) each brewer and each beer importer, wherever located, whose product is sold or offered for sale  
11 within the state, \$500;

12 (ii) for each storage depot, \$400;

13 (b) (i) each beer wholesaler, \$400; each winery, \$200; each table wine distributor, \$400;

14 (ii) for each subwarehouse, \$400;

15 (c) each beer retailer, \$200;

16 (d) (i) for a license to sell beer at retail for off-premises consumption only, the same as a retail beer  
17 license;

18 (ii) for a license to sell table wine at retail for off-premises consumption only, either alone or in conjunction  
19 with beer, \$200;

20 (e) any unit of a nationally chartered veterans' organization, \$50.

21 (2) The permit fee under 16-4-301(1) is computed at the following rate:

22 (a) \$10 a day for each day that beer and table wine are sold at events, activities, or sporting contests,  
23 other than those applied for pursuant to 16-4-301(1)(c); and

24 (b) \$1,000 a season for professional sporting contests or junior hockey contests held under the  
25 provisions of 16-4-301(1)(c).

26 (3) The permit fee under 16-4-301(2) is \$10 for the sale of beer and table wine only or \$20 for the sale  
27 of all alcoholic beverages.

28 (4) Passenger carrier licenses must be issued upon payment by the applicant of an annual license fee  
29 in the sum of \$300.

30 (5) The annual license fee for a license to sell wine on the premises, when issued as an amendment to

1 a beer-only license pursuant to 16-4-105, is \$200.

2 (6) The annual renewal fee for:

3 (a) a brewer producing 10,000 or fewer barrels of beer, as defined in 16-1-406, is \$200; ~~and~~

4 (b) resort retail all-beverages licenses within a given resort area is \$2,000 for each license; and

5 (c) a continuing care retirement community limited all-beverages license is \$500 for each license.

6 (7) Except as provided in this section, each licensee licensed under the quotas of 16-4-201 shall pay  
7 an annual license fee as follows:

8 (a) for each license outside of incorporated cities and incorporated towns or in incorporated cities and  
9 incorporated towns with a population of less than 2,000, \$250 for a unit of a nationally chartered veterans'  
10 organization and \$400 for all other licensees;

11 (b) for each license in incorporated cities with a population of more than 2,000 and less than 5,000 or  
12 within a distance of 5 miles, measured in a straight line from the nearest entrance of the premises to be licensed  
13 to the nearest boundary of the city, \$350 for a unit of a nationally chartered veterans' organization and \$500 for  
14 all other licensees;

15 (c) for each license in incorporated cities with a population of more than 5,000 and less than 10,000 or  
16 within a distance of 5 miles, measured in a straight line from the nearest entrance of the premises to be licensed  
17 to the nearest boundary of the city, \$500 for a unit of a nationally chartered veterans' organization and \$650 for  
18 all other licensees;

19 (d) for each license in incorporated cities with a population of 10,000 or more or within a distance of 5  
20 miles, measured in a straight line from the nearest entrance of the premises to be licensed to the nearest  
21 boundary of the city, \$650 for a unit of a nationally chartered veterans' organization and \$800 for all other  
22 licensees;

23 (e) the distance of 5 miles from the corporate limits of any incorporated cities and incorporated towns  
24 is measured in a straight line from the nearest entrance of the premises to be licensed to the nearest boundary  
25 of the city or town; and where the premises of the applicant to be licensed are situated within 5 miles of the  
26 corporate boundaries of two or more incorporated cities or incorporated towns of different populations, the license  
27 fee chargeable by the larger incorporated city or incorporated town applies and must be paid by the applicant.  
28 When the premises of the applicant to be licensed are situated within an incorporated town or incorporated city  
29 and any portion of the incorporated town or incorporated city is without a 5-mile limit, the license fee chargeable  
30 by the smaller incorporated town or incorporated city applies and must be paid by the applicant.

1 (f) an applicant for the issuance of an original license to be located in areas described in subsections  
2 (6) and (7)(d) shall provide an irrevocable letter of credit from a financial institution that guarantees that applicant's  
3 ability to pay a \$20,000 license fee. A successful applicant shall pay a one-time original license fee of \$20,000  
4 for a license issued. The one-time license fee of \$20,000 may not apply to any transfer or renewal of a license  
5 issued prior to July 1, 1974. However, all licenses are subject to the specified annual renewal fees.

6 (8) The fee for one all-beverages license to a public airport is \$800. This license is nontransferable.

7 (9) The annual fee for a retail beer and wine license to the Yellowstone airport is \$400.

8 (10) The annual fee for a special beer and table wine license for a nonprofit arts organization under  
9 16-4-303 is \$250.

10 (11) The annual fee for a distillery is \$600.

11 (12) The license fees provided in this section are exclusive of and in addition to other license fees  
12 chargeable in Montana for the sale of alcoholic beverages.

13 (13) In addition to other license fees, the department of revenue may require a licensee to pay a late fee  
14 of 33 1/3% of any license fee delinquent on July 1 of the renewal year or 1 year after the licensee's anniversary  
15 date, 66 2/3% of any license fee delinquent on August 1 of the renewal year or 1 year and 1 month after the  
16 licensee's anniversary date, and 100% of any license fee delinquent on September 1 of the renewal year or 1  
17 year and 2 months after the licensee's anniversary date.

18 (14) All license and permit fees collected under this section must be deposited as provided in 16-2-108."  
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20 NEW SECTION. **Section 4. Codification instruction.** [Section 1] is intended to be codified as an  
21 integral part of Title 16, chapter 4, part 3, and the provisions of Title 16, chapter 4, part 3, apply to [section 1].  
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23 NEW SECTION. **Section 5. Effective date.** [This act] is effective July 1, 2019.  
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