



MONTANA BEER & WINE DISTRIBUTORS ASSOCIATION

LEGAL

Kristi Blazer
Missouri River Law Office
145 Bridge St.
Craig, MT 59648
406-235-4000
406-235-4082 Fax

ADMINISTRATIVE

Verna Boucher
P.O. Box 124
Helena, MT 59624
406-442-4451

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CALENDAR OF EVENTS - 2010

Oct. 3-6	NBWA 73rd Annual Convention Hyatt Regency, Chicago, IL
Oct. 5	MBWDA Annual Convention Hyatt Regency, Chicago, IL 12:00 -2:30 pm
Oct. 24-26	Center for Alcohol Policy Legal Symposium, The Fairmont Dallas, Dallas, TX
Nov. 2	Election Day

2011

Jan. 3	2011 Legislative Session begins (noon)
Mar. 4-7	NABCA Legal Symposium Crystal Gateway Marriott Arlington, VA
Mar. 11-15	NABCA Annual Conference Arizona Biltmore, Phoenix, AZ
Mar. 27-30	NBWA Legislative Conference Washington, D.C.
May 24-25	General Membership Meeting Doubletree, Missoula, MT
August	Board of Director's Budget Meeting (site and date to be determined)
October	NBWA 74th Annual Convention and Trade Show, Las Vegas, NV
October	MBWDA Annual Convention Las Vegas, NV

To obtain more information regarding any of the NBWA events, please call the NBWA Conventions and Meetings Department at 800-300-6417 or e-mail info@nbwa.org.

To obtain more information regarding the MBWDA events, please call Verna at (406) 442-4451 or e-mail to VERNA_MBWWA@msn.com

OFFICERS & DIRECTORS

President

Ardelle Watkins
Gusto Distributing Company
Great Falls

Vice President

Mike Markovich
Summit Beverage
Butte

Executive Officer
and Counsel

Kristi Blazer
Craig

President
Ardelle Watkins



Vice President
Mike Markovich



Past President
Brian Clark



BOARD OF DIRECTORS

Terms expiring 2011:

Ardelle Watkins, Great Falls
John Decker, Billings
Mike Markovich, Butte

Terms expiring 2012:

Ed Brandt, Bozeman
Mark Johnston, Helena
Steve Buettner, Billings

Terms expiring 2013:

Carter Mollgaard, Miles City

Immediate Past President:

Brian Clark, Kalispell

MEMBERS OF THE ASSOCIATION

BILLINGS

Briggs Distributing Company, Inc.

3545 Hesper Road, Billings, MT 59102

P.O. Box 80727, Billings, MT 59108-0727

Phone: (406) 294-BEER (2337)

Fax: (406) 252-2301

Email: jdecker@briggsdistributing.com

President: John Decker; Beer Sales Manager: Pete Borowick; Wine Sales Manager: Terry McCoy; NA Sales Manager: Pete Borowick; Sales Administrator: Kim Dunn; Operations Manager: Mike Ehlang; HR Administrator: Jackie Swiesz; Office Supervisor: Kari Phoenix

Beer: Alaskan, Bayern, Big Sky, Boston Beer, Crown Imports, Deschutes, Diageo Guinness, Fosters, Heineken (FEMSA), High Falls, Mark Anthony, Miller-Coors, Molson, Rogue, SB Northwest, Seagrams, Sierra Nevada, Spanish Peaks, Spaten, Star Brand Imports, Steinlager, United Independent Brewers, Warsteiner

Wine: Alexander Valley, Andretti, Banfi, Bogle, Bridgeview, Bronco Wine Co., Centerra, Charles Krug, Chateau Ste. Michelle, Diageo, Dreyfus Ashby, Dry Creek, Duck Pond, Fess Parker, Fosters Wine Estate, Freixenet, HTD Imports, Hells Canyon, Henry Estates, Icon Estates, J Lohr, Jordan, J Wine Company, Kendall Jackson, Milbrandt, Moet Hennesy, Oak Knoll, Perno Ricard, Remy USA, Ridge, Rodney Strong, San Francisco Wine Exchange, Thomas Halby, Vine One, Vineyard Brands, White Rocket, Wilson Daniels, Wine Group, W. J. Deutch, Zonin

Other Bev: A & W, Arizona, Bawls, Cadbury, Cytomax, Everfresh, Nestle, Henry Weinhard's, Jolt, Montaqu, Muscle Milk, Peace, Red Bull, Talking Rain, Thomas Kemper, Unique Beverage, Xyience

Intermountain Distributing Company

1010 Intermountain St.

P.O. Box 1772, Billings, MT 59101

Phone: (406) 245-7744

Fax: (406) 245-4143

Tim Brocopp: tbrocopp@intermountaindistributing.com

Steve Buettner: sbuettner@intermountaindistributing.com

Bruce Jensen: bjensen@intermountaindistributing.com

Bob Marler: bmarler@intermountaindistributing.com

Nanette Kuhl: nkuhl@intermountaindistributing.com
Ken Cushing: kcushing@intermountaindistributing.com

President: Tim Brocopp; General Manager: Steve Buettner;
Office Manager: Nanette Kuhl; Beer Sales Manager: Bruce
Jensen; Wine Sales Manager: Bob Marler; Operations Manager:
Ken Cushing

Beer: Abita, Anheuser-Busch InBev, Anchor, Bozone, Fish, Full
Sail, Gambrinus, Harvest Moon, Heineken, Merchant du Vin,
Pabst (Rainier, Schmidt), Shelton Brothers, Yellowstone Valley

Wine: 585 Wine Partners, Adler Fels, Boisset America, Brown
Forman, Caymus, Chateau Diana, Cline, Constellation,
Coppola, Daily's, DFV Wines, Diageo, Don Sebastiani, Dusted
Valley, E&J Gallo, Ferrari-Carano, Foley, Foster's Estates, Hand
Picked, Hech Estates, Hess, Jorge Ordonez, Joseph Phelps, Kautz
Family, Kobrand, L' Ecole 41, Leonetti, Liberty School,
Lockwood, Louis Roederer, Maisons Marques, Marietta, Martini
& Rossi, Michael & David, Mission Mountain, Olsen, Palm Bay,
Pasternak, Pernod Ricard, Precept, Quintessential, Rare Wine
Co., Robert Chadderdon, Rutherford Wine, Steele, Terlato,
Trincherio, Veuve Clicquot, Vine Street, Wild West Wines, Wine
Group, Winebow, Winery Exchange, Youngs of Montana

BOZEMAN

Bronken's

707 East Peach
P.O. Box 188, Bozeman, MT 59715
Phone: (406) 586-2011
Fax: (406) 586-3833
Email: bronken@montanadsl.net

Principal: Peter Bronken; General Manager: Keith Dunn; Beer
Manager: Keith Dunn; Wine Manager: Keith Dunn; Fine Wine
Manager: Bud Holtoreve; Office Manager, Barb Bronken

Beer: Alaskan, Bayern, Beamish, Black Dog, Bozone, Corona,
Deschutes, Dos Equis, Grant Teton, Guinness, Harvest Moon,
Hornsby's, Kettlehouse, Kokanee, Labatt's, Lowenbrau, Mike's,
Molson, New Belgium, Olympia, Pyramid, Red Stripe, Rolling
Rock, Rouge, St. Pauli Girl, Sierra Nevada, Smirnoff,
Smithwick's, Sparks, Stella Artols, Stone, Yellowstone, Whistler

Wine: Antinori, Archery Summit, Arrowood, Benzinger,
Bogle, Bolla, Bollinger, Brown Forman, Buehler, CK Mondavi,
Canandaigua, Carmen, Caymus, Cella, Chalone, Chappellet,
Charles Krug, Chateau & Estate, Chateau St. Michelle, Cleavage
Creek, Clos du Val, Columbia Crest, Curtis, Diageo, Dreyfus
Ashby, Duboeuf, E & J Gallo, Empson, Fetzer, Firestone,

Foppiano, Forest Glen, Freuxener, Frog's Leap, Gekkeikan, Giesen, Gloria Ferrer, Grgich Hills, Groth, Hambrecht, Heitz, Henry Estates, "J" Wine Co., Jordan, Justin, King Estate, Korbel, Laurel Glen, Laurier, Leaping Lizard, Liberty School, Louis Martini, Luna Di Luna, Marietta, Marques De Caceres, Martin Brothers, Merryvale, Mirassou, Mogen David, Niebaum-Coppola, O'Maras, Parducci, Paul Masson, Peachy Canyon, Penfolds, Piccini, Pine Ridge, Ramey Wine Cellars, Raymond, River Wild, Robert Keenan, Rodney Strong, Rosemount, Round Hill, Sea View, Seghesio, Sequra Viudas, Shooting Star, Silver Oak, St. Supery, Steele, Sterling, Torres, Turn Bull, Twomey, Villa Maria, Vine Cliff, Vineyard Brands, W. J. Deutsch, Washington Hills, Weinbauer, Willamette, Woodward Canyon, Yellow Tail

Other Bev.: Arizona, Montaqu, Red Bull

Cardinal Distributing Company

269 Jackrabbit Lane, Bozeman, MT 59718

Phone: (406) 586-0241

Fax: (406) 587-1156

Website: www.cardinaldistributing.com

President: Ed Brandt; **Office Manager:** Josh Lewis; **Operations Manager:** Wayne Driscoll; **Warehouse Manager:** Dave Jones; **A-B Manager:** Rusty Marshall; **Miller/Pabst Manager:** Todd Barry; **Micro/Import Manager:** Todd Barry; **Non-Alcoholic Manager:** Joe Brandt; **Wine Manager:** Kelly Kulbeck

Beer: A-B, Becks, General, Heineken, Miller, Pabst, other imports and micro-beers

Wine: Almaden, Banfi, Beringer, Cline, Clos du Bois, Corbett Canyon, Ferrari-Carano, Franciscan Estates, Franzia, Glen Ellen, Hardys, Hess, Hogue Cellars, Inglenook, Kendall-Jackson, Kenwood, Kobrand, Lindemans, Mission Mountain, Paterno, Robert Mondavi, Sebastiani, Ste. Chappelle, Sutter Home, Vias, Winebow, Other Wines

Other Bev.: Hansen's, Nantucket Nectars, Snapple, Boylans

Mountain Country Coors

1715 N. Rouse

P.O. Box 10580, Bozeman, MT 59719-0580

Phone: (406) 587-9216

Fax: (406) 586-7479

Principal: Carl Lehrkind III

Beer: Coors

Winegardner's Wines, Inc.

342 Gallatin Park Drive, Bozeman, MT 59715

Phone: (406) 582-8739

Fax: (406) 586-1266

Email: kurt@winegardnerswines.com

Principal: Kurt Winegardner; **Office Manager:** Melinda Winegardner

Wine: Beaux Freres, Broadbent, Cayuse, Classical Wines, Domaine Serene, Duckhorn, Enotec, Epicurian, Far Niente, Kermit Lynch, Kestrel, Kysela, Melville, Neyers, Old Bridge, Ridge, Robert Sinskey, Saviah Cellars, Sonoma-Cutrer, Spann, Spottswode, Stephen Vincent, Tandem, TAPWC, TGIC, Vintus, Wilson-Daniels, Winesellers

BUTTE

Summit Beverage

1005 South Montana

P.O. Box 3787, Butte, MT 59702

Phone: (406) 782-9158

Fax: (406) 782-4530

Email: dmarkovich@summitbeverage.com

Web: www.summitbeverage.com

Principal: Dale Markovich; **Vice President Wine Sales:** Dan Haney; **Purchasing Manager:** Ryan Morgan; **Vice President of Operations:** Tom Kavran; **Warehouse Manager:** Charlie Lannin; **General Sales Manager:** Mike Markovich

Beer: MillerCoors, Barton Beers, Bayern Brewing, Mike's Lemonade, Pabst Brewing, Diageo, Boston Beer Co, Sierra Nevada, Alaskan Brewing Co, Lang Creek Brewing Co, Full Sail Brewing Co, Pyramid Brewing Co, Bitterroot Brewing Co, Heineken USA/Femsa, Kettle House Brewing, Moab Brewery, Eel River Brewing Co, Glacier Brewing Co, Sapporo, Labatt USA, Rogue Brewing Co, Metolius Brewing Co, Spaten, Lewis & Clark Brewing, BlackFoot Brewing, Elk Rock, New Belgium, Fish Tail Brewing Co, Deschutes Brewing

Wine: E&J Gallo, Centerra, The Wine Group, Fosters Wine Estates, M Trincherro, WJ Deutsch, Ste Michelle, Fosters Limestone, Pacific Wine Partners, Majestic Marketing Group, Banfi, Diageo, Brown Forman, Palmbay Imports, Icon Estates, Delicato, Don Sebastiani, Beam Wine Estates, Mission Mountain, Classic Wines, Freixenet, Pernod Ricard, Shaw Ross, Heaven Hill, Northlake, Winery Exchange, Kobrand, Bogle, Ironstone, Steele Winery, Winebow, Vineyard Brands, Prestige Wine Group, Rodney Strong, Heck Estates, Marietta Cellars,

Axiom, Sebastiani Vineyards, Corterra Winery, Dreyfus Ashby, Paterno Imports, Small Vineyards, Rubicon Estates, Schmitt Soehne, Caymus Vineyards, Takara Sake, AV Imports, Pasternak, Cline, Moet Hennesy, J Lohr Winery, Japan Foods, Precept Brands, Latah Creek Winery, Treana, Charles Krug, Click Imports, Bacardi Imports, Mendocino Wine Co, Ferrari Carano, Barnard Griffin, Duck Pond Cellars, Michael David Vineyards, Willamette Valley, Boisset, Mcmanis, Badger MTN, Hambrecht Global, Bonny Doon Vineyards, Folio Wines, Hess Collection, Frey Vineyards, King Estate Winery, San Francisco Wine Exchange, Wimbeldon Wine, Napa Ridge, Clear Weather Wines, Cumulus Wines, St Vincent Wines, Laurel Glen, Rombauer, Bergivin, Babcock Winery, DC Flynt, Corus Brands, Three Rivers, Ridge Vineyards, Firesteed, Sake One Corp, Trapper Peak, Dry Creek, Goldschmidt, Victoire Vineyards, Raymond, Langdon Shiverick, Rex Hill, Remy Amerique, Crystal Valley Cellars, Lolonis Winery, Hemingway & Hale, Seven Hills, Weinbauer, Washington Wine, Luna Vineyards, Arbor Crest, Moillard, Seghesio Family Wine, Trefethan, Bridgeview Vineyards, Terra Blanca Winery, Tastings Imports, Frogs Leap, Russell Creek Winery, Napa Wine Company, Opus One Winery, Maryhill Vineyards, Clos Du Val, Ex Cellare, La Famiglia Bologna, Hyatt Vineyards, Dierberg, Jack Poust, Andrew Geoffrey, Jordan, Northwest Wines, Sausal Winery, St Supery Winery, Youngs Columbia, Round Hill Vineyards, Wente Family Estates, Etude, Arrowood, CG DI Arie, Chappellet, Bacia Divino, Grigich Hills, Signature Wines, Beacon Wine Company, Saintsburry, Norman Vineyards, Groth Winery, Empson Inc, Caviro, Eugene, American Wine Distributors, Donum Estates, Chalk Hill, Monsierur Henry, Pine Ridge, Townshend, Alaska Distributors, Athenee Imports, Wilson Daniels, Armida Winery, J Wine Company, Cleavage Creek, Vinformation Steltzner, Click Wholesale, Seagrams, Heitz, Egel Pt Ranch, Foris Vineyards, Winesellers LTD, Trinitas, Far Niente Winery, Dreyer Wine, Mutual Trading, Antica Terra, Chateau Montelena, Weygandt Metzlar, Carneros Vineyards, Deakin Estates, Briar Cliff, Black Sea Imports, Kenefick, Renwood, St Gregory, Dufour, Vin De Vie, Stone Creek, Diamond Creek, Flora Springs, Plump Jack, Staglin, Eponymous, Montinore, Hundred Acre Wine, Montcello Wines, Saddlebaack Cellars, Partridge Cellars, Cosentino Winery, Domaine St Gregory, Rutz Cellars, Henry Hill Company, Koanan INC, Firestone, Burgess Cellars, Gold Digger, Hanzell Vineyards, Peachy Canyon, Cellar International, Pezzi King

Other Bev.: Henry Weinhard's Soda, Nantucket Nectars, Red Bull, San Pellegrino, Snapple, Stuart's Soda, Xyience Energy, YooHoo

Thompson Distributing, Inc.

3941 Wynne Avenue
PO Box 805, Butte, MT 59703
Phone: (406) 723-6528
Fax: (406) 782-1723

Principal: Scott Thompson; Vice President: Mark Thompson;
Sales Manager: Bob Sokolich; Wine Manager: Al Cutting; NA
Manager: Jim Gross

Beer: A-B, Big Hole, Big Sky, Bitterroot, Lewis & Clark, Red
Hook, Widmer

Wine: Coastal Vines, Classic Wines, Estrella, Hells Canyon,
Hook and Ladder, Iron Chef, Trinitas

Other Bev.: NA: Big Spring, Boylan's Soda, Calypso Lemonades,
Function, Go Fast, Icelandic Glacial, Liquid Ice, Monster, Peace
Water, Wired

GLASGOW

Blue Rock Distributing Company

B.N. Right of Way
P.O. Box 1048
Glasgow, MT 59230
Phone:(406) 433-3734
Fax: (406) 433-4318

**Principals: John L. Olson, Karen Olson Beenken and Randy
Olson;** Vice President & General Manager: Tim Feeley; Vice
President & General Sales Manager: Lance Averett; Wine
& Allied Brands Manager: Tracy Hagen; Sales Manager:
Paul Olszewski

Beer: Coors

Other Bev.: Pepsi-Cola

Glasgow Distributors, Inc.

725 B.N. Right of Way
P.O. Box 146, Glasgow, MT 59230
Phone: (406) 228-8277
Fax: (406) 228-8773
Email: ggwdist@nemont.net

Principal: John Swanson; Office Manager: Doris Ringstad

Beer: Big Sky Brewing, Corona, Fat Tire, Guinness, Heineken,
LaBatt's, Lang Creek, Miller "Acquired", Pabst, Pyramid, Rolling
Rock, Sierra Nevada

Wine: Almaden, Beringer, B.V., Canandaigua, Constellation,
Corbett Canyon, Franzia, Glen Ellen, Inglenook, Kendall

Jackson, Mission Mountain, Robert Mondavi, Seagrams,
Sebastiani, Stimson Lane, Yellowtail

Other Bev.: RC Cola, Red Bull, Snapple, Stewarts, Talking Rain,
Tap Juices, Thomas Kemper, Xyience

Nemont Beverage

BN Right of Way

P.O. Box 432, Glasgow, MT 59230

Phone: (406) 228-2454

Fax: (406) 228-8521

Principal: Tim Jennings, **President;** Vice President & General
Manager: Paul Koski; Wine Manager: Garrett Collins; Office
Manager: Jill Sanders

Beer: A-B, Miller

Wine: E&J Gallo, Sutter Home

Other Bev.: Culligan, Liquid Ice, Monster

GLENDIVE

Glendive Coca-Cola Bottling

220 S. Douglas

P.O. Box 1049, Glendive, MT 59330

Phone: (406) 377-2653

Fax: (406) 377-3120

Email: coke@midrivers.com

Principal: Daryl Clingingsmith

Beer: Olympia, Pabst

GREAT FALLS

Eagle Beverage

601 River Drive South

P.O. Box 209, Great Falls, MT 59403

Phone: (406) 453-5457

Fax: (406) 771-7635

Email: irvin.dw@bud4u.net

Principal: Steven B. Williamson; General Manager: Dave Irvin;
Business Manager: Don Pettigrew; Office Manager: Dan Petersen

Beer: A-B, Amstel, Anchor Steam, Big Sky Brewing, Great
Northern, Harvest Moon Brewing, Heineken, Jack Daniels Beer,
Kettlehouse Brewery, New Belgium, Pabst Brewing (Pabst,
Rainier, Schmidt, Old Milwaukee), Red Hook, Rolling Rock,
Widmer

Wine: Almaden, Arbor Mist, Cella, E&J Gallo, Fetzer, Inglenook, Latah Creek, Mogen David

Other Bev.: Arizona Tea, Boylans, Crush, Diet Rite, Hansen's, Liquid Ice, Nirvona Water, RC Cola, Tap Juices, Unique Beverage, Wired, Xing Tea

Gusto Distributing Company

Mailing: P. O. Box 3407, Great Falls, MT 59403

Shipping: 501 Crescent Circle, Great Falls, MT 59404

Phone: (406) 727-2618

Fax: (406) 761-3474

Email: (first name)@gustobev.com

Principal: Ardelle Watkins; Vice President/General Manager: Len Watkins; Sales Manager: Jason Henry; Operational Sales Manager: Tim Padgett; Wine Manager: Bill Johnson; On-Premise Manager: James Lewis; Warehouse Manager: Bob Mattoon

Beer: Alaskan, Bayern, Blackfoot River, Boston, Crown Imports, Deschutes, Diageo, Full Sail, Gambrinus, Heinekein USA, High Plains, LaBatts USA, Lang, Madison River, Mark Anthony, MillerCoors, New Belgium, Pabst Brewing, Pyramid, Sierra Nevada, US Beverage

Wine: Antares, AV Imports, Banfi, Benton Lane, Bogle Vineyards, Bookwalter, Bridgeview, Charles Krug, Click Imports, Cline Cellars, Constellation, Delicato, Diageo Wine Estates, Domaine Napa, Don Sebastiani, Dreyfus Ashby, Dry Creek Vineyards, Eagle Marketing, Elegant Wine Marketing, Erath, Eugene Wine Cellars, Ferrari Carano, 585 Wine Partners, Foley Wines, Fosters, Frances Coppola, Freixenet USA, Global Imports, Grgich Hills, HDT Importers, Hahn, Heck Estates, Hemingway and Hale, Ironstone, J Lohr, Jordan, Kobrand, Majestic Wines, Marietta, Mendocino, Mission Mountain, M Trincherro, Oyster Bay, Pacific Rim, Rodney Strong, Round Hill, Saddleback Cellars, San Francisco Winery Exchange, Sky River Meadery, Star Imports, Ste. Michelle, Terlado, W J Deutsch, Weinbauer, Wente, Whitman Cellars, Willamette Valley, Wilson Daniels, Winery Exchange, Wine Group

Other Bev.: Henry Weinhard, Montaquaa, Muscle Milk, RC Cola, Red Bull, Snapple, Talking Rain, Thomas Kemper, Xyience

HAVRE

Gusto Distributing Company

Havre, MT

Sales Manager: Brian Smith

Beer: Alaskan, Bayern, Blackfoot River, Boston, Crown Imports, Deschutes, Diageo, Full Sail, Gambrinus, Heineken USA, High Plains, LaBatts USA, Lang, Madison River, Mark Anthony, MillerCoors, New Belgium, Pabst Brewing, Pyramid, Sierra Nevada, US Beverage

Wine: Antares, AV Imports, Banfi, Benton Lane, Bogle Vineyards, Bookwalter, Bridgeview, Charles Krug, Click Imports, Cline Cellars, Constellation, Delicato, Diageo Wine Estates, Domaine Napa, Don Sebastiani, Dreyfus Ashby, Dry Creek Vineyards, Eagle Marketing, Elegant Wine Marketing, Erath, Eugene Wine Cellars, Ferrari Carano, 585 Wine Partners, Foley Wines, Fosters, Frances Coppola, Freixenet USA, Global Imports, Grgich Hills, HDT Importers, Hahn, Heck Estates, Hemingway and Hale, Ironstone, J Lohr, Jordan, Kobrand, Majestic Wines, Marietta, Mendocino, Mission Mountain, M Trinchero, Oyster Bay, Pacific Rim, Rodney Strong, Round Hill, Saddleback Cellars, San Francisco Winery Exchange, Sky River Meadery, Star Imports, Ste. Michelle, Terlado, W J Deutsch, Weinbauer, Wente, Whitman Cellars, Willamette Valley, Wilson Daniels, Winery Exchange, Wine Group

Other Bev.: Henry Weinhard, Montaqu, Muscle Milk, RC Cola, Red Bull, Snapple, Talking Rain, Thomas Kemper, Xyience

Havre Distributors, Inc.

935 1st Street, Havre, MT 59501

Phone: (406) 265-6212

Fax: (406) 265-7262

Principal: Ken Myers; **Equity Manager:** Alec McKay

Beer: A-B, Big Sky, Heineken

Wine: Cella, Gallo, Mogen David

HELENA

George's Distributing

2710 Broadwater Ave.

Helena, MT 59602

(406) 442-3980

Principal: Chelsey Frank, Jim George

Gusto Distributing Company

2510 Billings Ave., Helena, MT 59602

(406) 457-2675

Sales Manager: David Paul; **Operations Manager:** Mike Dohlen;

Wine Manager: Terry Morrison

Beer: Alaskan, Big Sky Brewing, Crown Imports, Deschutes, Full Sail, Harvest Moon, Heinekein USA, Madison River, Miller Brewing, New Belgium, Pabst Brewing, Sierra Nevada, US Beverage

Wine: Antares Wine Company, Bargetto, Benton Lane, Bookwalter, Charles Krug, Domaine Napa, Don Sebastiani, Eugene Wine Cellars, Fidelitas, Fosters Wine Group, Global Imports, Hogue, Jackson Triggs, Kautz, Kim Crawford, Majestic Wine, Michael David, Oyster Bay, Peachy Canyon, Pend d'Orielle, Rex Goliath, Star Imports, Trinchero, Vineyard Brands, Vintage Point, Weinbauer, Wente, Willamette

Other Bev.: Go Fast, Muscle Milk, RC Cola, Xyience

Mountain Country Coors

1201 N Ewing

P.O. Box 145, Helena, MT 59624

Phone: (406) 442-7249

Fax: (406) 449-4637

Principal: Carl Lehrkind, IV

Beer: All Saints, Anchor Steam, Bayern, Black Star, Coors, DeWolf & Noble Union, Dos Equis, Grant's, Guinness Imports Co., Hamms, Labatts Imports Co., Lewis & Clark, Lucky, Mike's Hard Lemonade, Molson, New Belgium, Newcastle, Olympia, Pabst, Pacifico, Paulner, Samuel Adams, St. Pauli, Spaten, Wetten, Vandenberg

Wine: B&G, Banfi, Barefoot, Benziger, Burgess, Caymus, Chalk Hill, Chalone, Cline, Clos du Bois, Clos du Val, Corbett Canyon, Deloach, Ferrari-Carano, Franciscan, Frey, Gallo, Grgich Hills, Kayser, Kenwood, Monterey, Parducci, R. Mondavi, Ravenswood, Rodney Strong, Rosemount, Rosenblum, Seagrams Chateau & Estates, Silver Oak, Silverado, Ste. Chappelle USA, Sterling, Stimson Lane, Wine Group, Winebow, Wyndham

Other Bev.: Clausthales, Crystal Geysir, Kaliber, Red Bull, Snapple, Talking Rain

Sandy Mac's Distributing, LLP

2727 Airport Road, Helena, MT 59601

Phone: (406) 442-1570

Fax: (406) 443-6029

Partner: Trevor MacDonald, Email: trevor@sandymacs.com

Partner/General Manager: Mark Johnston,

Email: mark@sandymacs.com

Office Manager: Sherry East, Email: sherry@sandymacs.com

Sales Manager: Brian Barnes, Email: brian@sandymacs.com

Beer: A-B, Lewis & Clark Brewing, Red Hook, Stella, Widmer

Other Bev.: A&W/Unique Bev., Boylan's, Calypso, FRS,

Function, Hansen's, Icelandic, Liquid Ice, Talking Rain

KALISPELL

Flathead Beverage Co.

1380 Highway 2 West

Kalispell, MT 59901

Phone: (406) 755-4203

Fax: (406) 756-3452

Email: don.dulle@flatheadbeverage.com

Principal and Managers: President: Donald Dulle; Sales Manager: Allen Acberts; Warehouse Manager: Rusty Hayek

Beer: A-B, Bitterroot Brewing, Flathead Lake Brewing, Glacier Brewing, Harvest Moon Brewing, Kona, Liquid Charge, Red Hook, Stone Brewing, Widmer

Other Bev.: A&W/Unique Beverage, Hansen Beverage, Liquid Ice

Fun Beverage, Inc.

175 School House Loop, Kalispell, MT 59901

Phone: (406) 752-1455

Fax: (406) 752-5678

Email: info@funbeverage.com

Website: www.funbeverage.com

President: Brian Clark, ext 124, email: bclark@funbeverage.com;

Beer Division Manager: Brad Smith, ext 127, email:

bradsmith@funbeverage.com; **Wine Division Manager:** Kim

Clausen, ext 133, email: kclausen@funbeverage.com; **Non-**

Alcohol Division Manager: Gary McClarty, ext 129, email:

gmc@funbeverage.com; **Warehouse Operations Manager:** James

Floyd, ext 120, email: jlfloyd@funbeverage.com; Office & IT Manager: Kathy Burrington, ext 125, email: kburrington@funbeverage.com

Beer: Alaskan, Anheuser Busch-InBev (Abbey, Bass, Becks, Hoegaarden, Kokanee, Stella Artois), Bayern, Big Hole Brewing, Big Sky Brewing, Blackfoot Brewing, Boston Beer Co., Crown Imports, Deschutes, Diageo-Guinness USA, Full Sail Brewing, Gambrinus, Great Northern Brewing, Heineken USA, KettleHouse Brewing, Labatt USA, Madison River Brewing, Mark Anthony Brands (Mike's), McKenzie River, Miller/Coors, Moosehead USA, New Belgium Brewing, Pabst Brewing, Pyramid Breweries, Rogue Ales, Sierra Nevada, Tamarack Brewing Co.

Wine: 585 Wine Brands, Ascentia, Banfi, Barnard-Griffin, Beauv Frere, Beverages Northwest, Bogle, Bookwalter, Brown-Forman, Canopy Management, C.K. Mondavi, Caymus, Clever Imports, Click Imports, Cline Cellars, Constellation Wines USA, Coppola, D.C. Flynt, DFV, Diageo, Don Sebastiani & Sons, Duckhorn, E&J Gallo Winery, Firesteed, Ferrari-Carano, Folio, Foley Family Wines, Fosters Wine Estates, Freixenet USA, Frogs Leap, Girgich Hills, Groth, Hahn, Heck Estates, Hope Family Wines, Hyatt, J Wine Company, J Lohr, Jordan, Kautz Family Vineyards, Kenefick, King Estate, Kobrand, Latah Creek, Liberty School, Lion Nathan, Majestic Fine Wines, Marrietta, Maryhill, Mason, Mercer Estates, Michael-David, Mission Mountain, Moet Hennessy, Old Bridge Cellars, Our Daily Red, Orleans Hill, Oyster Bay Pacific Rim, Pasternack, Pernod Recard USA, Pine Ridge, Plumpjack, Prestige Wine Group, Quilceda Creek, Raineer Wine Co., Regency Wine Group, Renwood, Ridge, Rodney Strong, Rombauer, Saviah, Schmitt Sohne, Seghesio, Small Vineyards, Smith's Marketing, Sonoma Cutrer, Spottswode, Staglin, Steele, Ste. Michelle Wine Estates, Terlato, Trinchero Family Est., Vintage Point, W.J. Deutsch, Willamette Valley, Wilson-Daniels, Wine Group, Winebow, Winery Exchange, Woodward Canyon

Other Beverages: Anheuser Busch-InBev (Becks NA), Binding (Clausthaler), Coastal Promotions (Taste of Florida Mixers), Crown Beverage (RC Cola, Diet Rite, Crush, Hires), Crown Imports (St. Pauli NA), Diageo-Guinness USA (Kaliber), Dr Pepper/7Up (7Up, Nantucket, Stewarts, Yoo-hoo, Orangina), Heineken USA (Buckler NA), North American Beverage (Flathead Lake Monster Sodas, Barritt's Ginger Beer), Jones Sodas, Miller/Coors (Coors NA, Sharps, Henry Weinhard Sodas), Nestle (Perrier, San Pellegrino), Nestle USA (Coffee Mate, Juicy Juice, Nesquik), Peak Bottling of Montana (Montaqua), Pepsi Northwest Beverages (Gatorade G2, Mug, Propel, Sierra Mist, Tropicana), Red Bull North America, Sutter Home Winery (Sutter Fré), Talking Rain, Thomas Kemper, Voss Water USA, Xyience, Zing Zang (Bloody Mary)

LEWISTOWN

Intermountain Distributing Company - Lewistown

403 S. Dawes

P.O. Box 1071, Lewistown, MT 59457

Phone: (406) 538-3150

Fax: (406) 538-2706

John Stokken: jstokken@intermountaindistributing.com

Nicki Martin: jnco@midrivers.com

Gen. Mgr.: Tim Brocopp; **Branch Manager.:** John Stokken

Beer: Anheuser-Busch InBev, Harvest Moon, Heineken, Pabst
(Rainier, Schmidt, Olympia), Yellowstone Valley

Wine: Fetzer, Gallo, Wine Group, Winery Exchange

Other Bev.: Pepsi Cola

MILES CITY

Blue Rock Distributing Company

217 N. 8th Street, Miles City, MT 59301

P.O. Box 1705, Sidney, MT 59270

Phone: (406) 433-3409

Fax: (406) 433-4318

Principals: John L. Olson, Karen Olson Beenken and Randy Olson; **Vice President & General Manager:** Tim Feeley; **Vice President & General Sales Manager:** Lance Averett; **Wine & Allied Brands Manager:** Tracy Hagen; **Sales Manager:** Dan Anderson

Beer: Coors, Miller, Pabst

Wine: B&J, Beringer, Brown-Forman, Canandaigua, Cella, Gallo, Glen Ellen, Robert Mondavi, Seagrams, Seagram Classics, Sebastiani, Stimson Lane, Sutter Home, The Wine Group

Other Bev.: Pepsi-Cola

M & C Beverage, Inc.

419 North 9th Street

P.O. Box 1181, Miles City, MT 59301

Phone: (406) 234-0340

Fax: (406) 234-0361

Principal: Carter Mollgard; **Controller:** Sue Zagorda; **General Sales Manager:** Doug Petroff

Beer: A-B, InBev, Red Hook, Rolling Rock, Widmer

Other Bev.: Hansen

MISSOULA

Summit Beverage

3305 Great Northern Way, Missoula, MT 59808

Phone: (406) 541-3900

Fax: (406) 541-2374

Website: www.summitbeverage.com

Principal: Dale Markovich; Sales Manager (Beer & Non-Alc): Brian Todd; Vice President of Operations: Tom Kavran; Vice President Sales (Wine): Dan Haney; Purchasing Manager: Ryan Morgan; Warehouse Manager: Gary Jensen; Delivery Manager: Greg Thompson

Beer: MillerCoors, Barton Beers, Bayern Brewing, Mike's Lemonade, Pabst Brewing, Diageo, Boston Beer Co, Sierra Nevada, Alaskan Brewing Co, Lang Creek Brewing Co, Full Sail Brewing Co, Pyramid Brewing Co, Bitterroot Brewing Co, Heineken USA/Femsa, Kettle House Brewing, Moab Brewery, Eel River Brewing Co, Glacier Brewing Co, Sapporo, Labatt USA, Rogue Brewing Co, Metolius Brewing Co, Spaten, Lewis & Clark Brewing, BlackFoot Brewing, Elk Rock, New Belgium, Fish Tail Brewing Co, Deschutes Brewing

Wine: E&J Gallo, Centerra, The Wine Group, Fosters Wine Estates, M Trincherro, WJ Deutsch, Ste Michelle, Fosters Limestone, Pacific Wine Partners, Majestic Marketing Group, Banfi, Diageo, Brown Forman, Palmbay Imports, Icon Estates, Delicato, Don Sebastiani, Beam Wine Estates, Mission Mountain, Classic Wines, Freixenet, Pernod Ricard, Shaw Ross, Heaven Hill, Northlake, Winery Exchange, Kobrand, Bogle, Ironstone, Steele Winery, Winebow, Vineyard Brands, Prestige Wine Group, Rodney Strong, Heck Estates, Marietta Cellars, Axiom, Sebastiani Vineyards, Corterra Winery, Dreyfus Ashby, Paterno Imports, Small Vineyards, Rubicon Estates, Schmitt Soehne, Caymus Vineyards, Takara Sake, AV Imports, Pasternak, Cline, Moet Hennesy, J Lohr Winery, Japan Foods, Precept Brands, Latah Creek Winery, Treana, Charles Krug, Click Imports, Bacardi Imports, Mendocino Wine Co, Ferrari Carano, Barnard Griffin, Duck Pond Cellars, Michael David Vineyards, Willamette Valley, Boisset, Mcmanis, Badger MTN, Hambrecht Global, Bonny Doon Vineyards, Folio Wines, Hess Collection, Frey Vineyards, King Estate Winery, San Francisco Wine Exchange, Wimbeldon Wine, Napa Ridge, Clear Weather Wines, Cumulus Wines, St Vincent Wines, Laurel Glen, Rombauer, Bergivin, Babcock Winery, DC Flynt, Corus Brands, Three Rivers, Ridge Vineyards, Firesteed, Sake One Corp, Trapper Peak, Dry Creek, Goldschmidt, Victoire Vineyards, Raymond, Langdon Shiverick, Rex Hill, Remy Amerique, Crystal Valley Cellars, Lolonis Winery, Hemingway & Hale, Seven Hills,

Weinbauer, Washington Wine, Luna Vineyards, Arbor Crest, Moillard, Seghesio Family Wine, Trefethan, Bridgeview Vineyards, Terra Blanca Winery, Tastings Imports, Frogs Leap, Russell Creek Winery, Napa Wine Company, Opus One Winery, Maryhill Vineyards, Clos Du Val, Ex Cellare, La Famiglia Bologna, Hyatt Vineyards, Dierberg, Jack Poust, Andrew Geoffrey, Jordan, Northwest Wines, Sausal Winery, St Supery Winery, Youngs Columbia, Round Hill Vineyards, Wente Family Estates, Etude, Arrowood, CG DI Arie, Chappellet, Bacia Divino, Grigich Hills, Signature Wines, Beacon Wine Company, Saintsburry, Norman Vineyards, Groth Winery, Empson Inc, Caviro, Eugene, American Wine Distributors, Donum Estates, Chalk Hill, Monsierur Henry, Pine Ridge, Townshend, Alaska Distributors, Athenee Imports, Wilson Daniels, Armida Winery, J Wine Company, Cleavage Creek, Vinformation Steltzner, Click Wholesale, Seagrams, Heitz, Egel Pt Ranch, Foris Vineyards, Winesellers LTD, Trinitas, Far Niente Winery, Dreyer Wine, Mutual Trading, Antica Terra, Chateau Montelena, Weygant Metzlar, Carneros Vineyards, Deakin Estates, Briar Cliff, Black Sea Imports, Kenefick, Renwood, St Gregory, Dufour, Vin De Vie, Stone Creek, Diamond Creek, Flora Springs, Plump Jack, Staglin, Eponymous, Montinore, Hundred Acre Wine, Montcello Wines, Saddlebaack Cellars, Partridge Cellars, Cosentino Winery, Domaine St Gregory, Rutz Cellars, Henry Hill Company, Koanan INC, Firestone, Burgess Cellars, Gold Digger, Hanzell Vineyards, Peachy Canyon, Cellar International, Pezzi King

Other Bev.: Henry Weinhard's Soda, Nantucket Nectars, Red Bull, San Pellegrino, Snapple, Stuart's Soda, Xyience Energy, YooHoo

Zip Beverage

1301 Scott Street, Missoula, MT 59802

Phone: (406) 728-9543

Fax: (406) 728-9311

President: Bill Watkins, email: bwatkins@zipbeverage.com;

General Manager: Harry Watkins, email:

hwatkins@zipbeverage.com; **Sales Manager:** Doug Davis, email:

ddavis@zipbeverage.com; **Off Premise:** Pat Benson, email:

pbenson@zipbeverage.com; **On-Premise:** Brad Sweeney, email:

bsweeney@zipbeverage.com; **High End Manager:** Brian Boshaw,

email: bboshaw@zipbeverage.com; **Inventory Manager:** Dan

Beck, email: dbeck@zipbeverage.com; **Draft Services:**

Steve Savage

Beer: Anheuser-Busch, Bass, Beck's, Big Sky, Harvest Moon, Heineken, Merchant DuVin, New Belgium, Newcastle, Pabst, Rainier, Red Hook, Schmidt, Seagram's, Stella Artois, Widmer

Other Bev.: Bridgeport, Monster

SIDNEY

Blue Rock Distributing Company

501 9th Ave. NE

P.O. Box 1705, Sidney, MT 59270

Phone: (406) 433-3734

Fax: (406) 433-4318

Principals: John L. Olson, Karen Olson Beenken and Randy Olson; Vice President & General Manager: Tim Feeley; Vice President & General Sales Manager: Lance Averett; Wine & Allied Brands Manager: Tracy Hagen; Sales Manager: Ron Messmer

Beer: Coors, Miller, Pabst

Other Bev.: Pepsi-Cola

MONTANA TAVERN ASSOCIATION

MontanaTavernAssociation.com

920 E. Lyndale Street

P.O. Box 851, Helena, MT 59624

Ph. 406-442-5040

mttavern@gmail.com

Drink Responsibly. 
Drive **Responsibly.** 

Useful State Government Numbers

Department of Revenue

P.O. Box 1712, Helena, MT 59620

Dan Bucks, Director 444-2460

Liquor Control Division 444-6900

Shauna Helfert, Administrator 444-1464

Compliance Specialists/On-Premises Consumption Licenses

Marilyn Christensen 444-3505

06-Gallatin, 09-Powder River, 10-Carbon, 14-Custer,
29-Rosebud, 39-Fallon, 40-Sweet Grass, 42-Carter,
44-Wheatland, 47-Meagher

Shawana Christianson 444-0712

02-Cascade, 19-Chouteau, 21-Toole, 26-Pondera,
48-Liberty

Delores Stroh 444-0728

07-Flathead, 54-Mineral, 56-Lincoln

Jason Schilling 444-0710

01-Silver Bow, 04-Missoula, 18-Beaverhead, 28-Powell,
35-Sanders

Jason Lay 444-0717

05-Lewis & Clark, 13-Ravalli, 15-Lake, 30-Deer Lodge,
46-Granite, 51-Jefferson

Tanya Stelzer 444-0713

03-Yellowstone, 22-Big Horn, 23-Musselshell,
25-Madison, 32-Stillwater, 33-Treasure, 43-Broadwater,
45-Prairie, 49-Park, 53-Golden Valley

Dani Tenneson 444-4332

08-Fergus, 11-Phillips, 12-Hill, 16-Dawson, 17-
Roosevelt, 20-Valley, 24-Blaine, 27-Richland, 31-Teton,
34-Sheridan, 36-Judith Basin, 37-Daniels, 38-Glacier,
41-McCone, 50-Garfield, 52-Wibaux, 55-Petroleum

Miscellaneous Licenses

Susan Gardipee 444-7927

Off Premise License, Connoisseur

Shawna Christianson 444-0712
Montana Wholesale and Distributor, Domestic Winery,
Domestic Brewery, Domestic Distillery

Shelly Clinch 444-4324
Foreign Wineries, Foreign Breweries, Vendor Reps,
Importers

Dani Tenneson 444-4332
Keg Tags, Beer and Wine Tax

Department of Justice

Motor Vehicle Division
303 N. Roberts, Helena, MT 59620
Commercial Drivers License Help Desk 444-3244

Governor's Office

State Capitol, P.O. Box 200801
Helena, MT 59620-0801
Honorable Brian Schweitzer
Governor 444-3111
Citizen Advocate 1-800-332-2272

Legislature (when in session)

State Capitol, Helena, MT 59620
Members—Message Center 444-4800
Fax Number—Information Office 800-225-1600
900-225-1600

Useful Federal Government Numbers

Tax & Trade Bureau

221 Main St., 11th Floor
San Francisco, CA 94105
Bureau of Alcohol & Firearms 415-744-9458

U.S. Senate

Washington, D.C. 20510
Senator Max Baucus (202) 224-2651
Senator Jon Tester (202) 224-2644

U.S. House of Representatives

Rep. Denny Rehberg (202) 225-3211

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Suite 100
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Avant Courier Bldg.
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Fax (406) 586-7647

Butte

Silver Bow Center
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Butte, MT 59701
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SENATOR JON TESTER, CONT.

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Glendive, MT 59330
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Great Falls District Office

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LAWS

16-1-101. Citation — declaration of policy — subject matters of regulation. (1) Chapters 1 through 4 and 6 of this title may be cited as the “Montana Alcoholic Beverage Code”.

(2) It is the policy of the state of Montana to effectuate and ensure the entire control of the manufacture, sale, importation, and distribution of alcoholic beverages within the state subject to the authority of the state acting through the department.

(3) This code is an exercise of the police power of the state for the protection of the welfare, health, peace, morals, and safety of the people of the state and of the state’s power under the 21st amendment to the United States constitution to control the transportation and importation of alcoholic beverages into the state. The overall purposes of this code under the 21st amendment to the United States constitution are to promote temperance, create orderly markets, and aid in the collection of taxes. The provisions of this code must be broadly construed to accomplish these purposes.

16-1-106. Definitions. As used in this code, the following definitions apply:

(1) “Agency franchise agreement” means an agreement between the department and a person appointed to sell liquor and table wine as a commission merchant rather than as an employee.

(2) “Agency liquor store” means a store operated under an agency franchise agreement in accordance with this code for the purpose of selling liquor at either the posted or the retail price for off-premises consumption.

(3) “Alcohol” means ethyl alcohol, also called ethanol, or the hydrated oxide of ethyl.

(4) “Alcoholic beverage” means a compound produced and sold for human consumption as a drink that contains more than 0.5% of alcohol by volume.

(5) (a) “Beer” means:

(i) a malt beverage containing not more than 8.75% of alcohol by volume; or

(ii) an alcoholic beverage containing not more than 14% alcohol by volume:

(A) that is made by the alcoholic fermentation of an infusion or decoction, or a combination of both, in potable brewing water, of malted cereal grain; and

(B) in which the sugars used for fermentation of the alcoholic beverage are at least 75% derived from malted cereal grain measured as a percentage of the total dry weight of the fermentable ingredients.

(b) The term does not include a caffeinated or stimulant-enhanced malt beverage.

(6) “Beer importer” means a person other than a brewer who imports malt beverages.

(7) “Brewer” means a person who produces malt beverages.

(8) “Caffeinated or stimulant-enhanced malt beverage” means:

(a) a beverage:

(i) that is fermented in a manner similar to beer and from which some or all of the fermented alcohol has been removed and replaced with distilled ethyl alcohol;

- (ii) that contains at least 0.5% of alcohol by volume;
 - (iii) that is treated by processing, filtration, or another method of manufacture that is not generally recognized as a traditional process in the production of beer as described in 27 CFR 25.55; and
 - (iv) to which is added caffeine or other stimulants, including but not limited to guarana, ginseng, and taurine; or
- (b) a beverage:
- (i) that contains at least 0.5% of alcohol by volume;
 - (ii) that is treated by processing, filtration, or another method of manufacture that is not generally recognized as a traditional process in the production of beer as described in 27 CFR 25.55;
 - (iii) to which is added a flavor or other ingredient containing alcohol, except for a hop extract;
 - (iv) to which is added caffeine or other stimulants, including but not limited to guarana, ginseng, and taurine;
 - (v) for which the producer is required to file a formula for approval with the United States alcohol and tobacco tax and trade bureau pursuant to 27 CFR 25.55; and
 - (vi) that is not exempt pursuant to 27 CFR 25.55(f).
- (9) “Community” means:
- (a) in an incorporated city or town, the area within the incorporated city or town boundaries;
 - (b) in an unincorporated city or area, the area identified by the federal bureau of the census as a community for census purposes; and
 - (c) in a consolidated local government, the area of the consolidated local government not otherwise incorporated.
- (10) “Department” means the department of revenue, unless otherwise specified, and includes the department of justice with respect to receiving and processing, but not granting or denying, an application under a contract entered into under 16-1-302.
- (11) “Hard cider” means an alcoholic beverage that is made from the alcoholic fermentation of the juices of apples or pears and that contains not less than 0.5% of alcohol by volume and not more than 6.9% of alcohol by volume, including but not limited to flavored, sparkling, or carbonated cider.
- (12) “Immediate family” means a spouse, dependent children, or dependent parents.
- (13) “Import” means to transfer beer or table wine from outside the state of Montana into the state of Montana.
- (14) “Liquor” means an alcoholic beverage except beer and table wine. The term includes a caffeinated or stimulant-enhanced malt beverage.
- (15) “Malt beverage” means an alcoholic beverage made by the fermentation of an infusion or decoction, or a combination of both, in potable brewing water, of malted barley with or without hops or their parts or their products and with or without other malted cereals and with or without the addition of unmalted or prepared cereals, other carbohydrates, or products prepared from carbohydrates and with or without other wholesome products suitable for human food consumption.
- (16) “Package” means a container or receptacle used for holding an alcoholic beverage.
- (17) “Posted price” means the wholesale price of liquor for sale to

persons who hold liquor licenses as fixed and determined by the department and in addition an excise and license tax as provided in this code. In the case of sacramental wine, the wholesale price may not exceed the sum of the department's cost to acquire the sacramental wine, the department's current freight rate to agency liquor stores, and a 20% markup.

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

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

(20) "Retail price" means the price established by an agent for the sale of liquor to persons who do not hold liquor licenses. The retail price may not be less than the department's posted price.

(21) "Rules" means rules adopted by the department or the department of justice pursuant to this code.

(22) "Sacramental wine" means wine that is manufactured and sold exclusively for use as sacramental wine or for other religious purposes.

(23) "Special event", as it relates to an application for a beer and wine special permit, means a short, infrequent, out-of-the-ordinary occurrence, such as a picnic, fair, reception, or sporting contest.

(24) "State liquor warehouse" means a building owned or under control of the department for the purpose of receiving, storing, transporting, or selling alcoholic beverages to agency liquor stores.

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

(26) "Subwarehouse" means a building or structure owned or operated by a licensed beer wholesaler or table wine distributor, located at a site in Montana other than the site of the beer wholesaler's or table wine distributor's warehouse or principal place of business, and used for the receiving, storage, and distribution of beer or table wine as permitted by this code.

(27) "Table wine" means wine that contains not more than 16% of alcohol by volume and includes cider.

(28) "Table wine distributor" means a person importing into or purchasing in Montana table wine for sale or resale to retailers licensed in Montana.

(29) "Warehouse" means a building or structure located in Montana that is owned or operated by a licensed beer wholesaler or table wine distributor for the receiving, storage, and distribution of beer or table wine as permitted by this code.

(30) "Wine" means an alcoholic beverage made from or containing the normal alcoholic fermentation of the juice of sound, ripe fruit or other agricultural products without addition or abstraction, except as may occur in the usual cellar treatment of clarifying and aging, and that contains more than 0.5% but not more than 24% of alcohol by volume. Wine may be ameliorated to correct natural deficiencies, sweetened, and fortified in accordance with applicable federal regulations and the customs and practices of

the industry. Other alcoholic beverages not defined in this subsection but made in the manner of wine and labeled and sold as wine in accordance with federal regulations are also wine.

16-1-406. Taxes on beer. (1) (a) A tax is imposed on each barrel of 31 gallons of beer sold in Montana by a wholesaler. A barrel of beer equals 31 gallons. The tax is based upon the total number of barrels of beer produced by a brewer in a year. A brewer who produces less than 20,000 barrels of beer a year is taxed on the following increments of production:

- (i) up to 5,000 barrels, \$1.30;
- (ii) 5,001 barrels to 10,000 barrels, \$2.30; and
- (iii) 10,001 barrels to 20,000 barrels, \$3.30.

(b) The tax on beer sold for a brewer who produces over 20,000 barrels is \$4.30.

(2) The tax imposed pursuant to subsection (1) is due at the end of each month from the wholesaler upon beer sold by the wholesaler during that month. The department shall compute the tax due on beer sold in containers other than barrels or in barrels of more or less capacity than 31 gallons.

(3) Each quarter, in accordance with the provisions of 17-2-124, of the tax collected pursuant to subsection (1), an amount equal to:

- (a) 23.26% must be deposited in the state treasury to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism and chemical dependency; and
- (b) the balance must be deposited in the state general fund.

16-3-101. Alcoholic beverage transactions — only in accordance with code. (1) A person who manufactures, imports, distributes, or sells alcoholic beverages or the person's agent may not give or sell to any person within the state any alcoholic beverage except as may be permitted by and in accordance with the provisions of this code.

(2) (a) Except as otherwise provided by this code, a person or the person's agent may not ship, transport, or consign or cause to be shipped, transported, or consigned:

- (i) any alcoholic beverage to any person in this state who does not hold a valid wholesaler's license or connoisseur's license issued by the department; or
- (ii) any liquor except to the state liquor warehouse.

(b) The prohibition in subsection (2)(a) includes alcoholic beverages ordered or purchased by telephone, computer, or other device, except by persons holding a valid connoisseur's license provided for in 16-4-901.

(3) Except as otherwise provided by this code, alcoholic beverages shipped, transported, or consigned pursuant to subsection (2)(a) and intended for sale to any person not licensed under this code must be distributed by the licensed wholesaler to a licensed retailer for sale to the ultimate consumer.

16-3-213. Brewers or beer importers not to retail beer — small brewery exceptions. (1) Except as provided for small breweries in subsection (2), it is unlawful for any brewer or breweries or beer importer to have or own any permit to sell or retail beer at any place

or premises. It is the intention of this section to prohibit brewers and beer importers from engaging in the retail sale of beer. This section does not prohibit breweries from selling and delivering beer manufactured by them, in original packages, at either wholesale or retail.

(2) (a) For the purposes of this section, a “small brewery” is a brewery that has an annual nationwide production of not less than 100 barrels or more than 10,000 barrels.

(b) A small brewery may, at one location for each brewery license, provide samples of beer that were brewed and fermented on the premises in a sample room located on the licensed premises. The samples may be provided with or without charge between the hours of 10 a.m. and 8 p.m. No more than 48 ounces of malt beverage may be sold or given to each individual customer during a business day.

16-3-214. Beer sales by brewers — sample room exception. (1) Subject to the limitations and restrictions contained in this code, a brewer who manufactures less than 60,000 barrels of beer a year, upon payment of the annual license fee imposed by 16-4-501 and upon presenting satisfactory evidence to the department as required by 16-4-101, must be licensed by the department, in accordance with the provisions of this code and rules prescribed by the department, to:

(a) sell and deliver beer from its storage depot or brewery to:

(i) a wholesaler;

(ii) licensed retailers if the brewer uses the brewer’s own equipment, trucks, and employees to deliver the beer and if:

(A) individual deliveries, other than draught beer, are limited to the case equivalent of 8 barrels a day to each licensed retailer; and

(B) the total amount of beer sold or delivered directly to all retailers does not exceed 10,000 barrels a year; or

(iii) the public;

(b) provide its own products for consumption on its licensed premises without charge or, if it is a small brewery, provide its own products at a sample room as provided in 16-3-213; or

(c) do any one or more of the acts of sale and delivery of beer as provided in this code.

(2) A brewery may not use a common carrier for delivery of the brewery’s product to the public or to licensed retailers.

(3) An additional license fee may not be imposed on a brewery providing its own products on its licensed premises for consumption on the premises.

(4) This section does not prohibit a licensed brewer from shipping and selling beer directly to a wholesaler in this state under the provisions of 16-3-230.

16-3-217. Purposes. The legislature finds and declares that the purposes of 16-3-218 through 16-3-226 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.

16-3-218. “Distribute” defined. As used in 16-3-219, 16-3-220, 16-4-103, and 16-4-108, “distribute” means to deliver beer or wine to a retailer’s premises licensed to sell beer or table wine.

16-3-219. Dock sales restricted. Beer or wine may not be delivered to a licensed retailer at any location other than the retailer’s licensed premises, except that a retailer located within the territory for which a wholesaler has been appointed to distribute a brand may personally or through an employee obtain from the wholesaler’s warehouse quantities of beer not exceeding three barrels in packaged or draft form. An all-beverages licensee may upon presentation of the licensee’s license or a photocopy of the license personally obtain from any wholesaler’s warehouse the quantities of beer as the licensee and the wholesaler may agree to buy and sell.

16-3-220. Wholesalers’ service obligations — applicability. (1) A wholesaler appointed to distribute a brand of beer within a territory specified by agreement pursuant to 16-3-222 shall call on and offer that brand to at least 75% of the retailers within that territory at least every 3 weeks. However, if the brand of beer for which the wholesaler is appointed is a product of a brewer or beer importer whose products are not generally available, the wholesaler shall, at least every 3 weeks, call on and offer that brand to as many retailers within that territory as is reasonably possible given the amount of that brand that is available to the wholesaler.

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

(3) For the purposes of this section, a brewer or beer importer’s products are not generally available if:

(a) all of the brands of a brewer or beer importer shipped to a wholesaler during the most recent calendar quarter total less than 600 barrels;

(b) all of the brands of a brewer or beer importer shipped into the state total less than 1,200 barrels in each of the 2 consecutive preceding calendar quarters; and

(c) all of the brands produced by the brewer at all of its facilities total less than 150,000 barrels per year.

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

16-3-221. Illegal acts by brewers or beer importers. (1) It is unlawful for any brewer or beer importer or any officer, agent, or representative of any brewer or beer importer to:

(a) coerce, attempt to coerce, or persuade any person licensed to sell beer at wholesale to enter into any agreement or to take any action that would violate or tend to violate any of the laws of this state or any rules promulgated by the department;

(b) sell its products in the state without a written contract, which conforms to the provisions of 16-3-221 through 16-3-226, with each appointed licensed wholesale distributor;

(c) designate or allow more than one wholesale distributor to sell or distribute a specific brand of the brewer's or beer importer's products to retail licensees in the same area, provided that nothing in this part prohibits the brewer or beer importer from designating more than one wholesale distributor to sell or distribute different brands of the same manufacturer to retail licensees in the same area;

(d) fix or maintain the price at which a wholesale distributor resells the brewer's or beer importer's products. Without limitation, it is a violation of this section if:

(i) after a wholesale distributor has exceeded a resale price increase recommended by a brewer or beer importer, the brewer or beer importer raises the price that it charges the wholesale distributor for those products within 60 days;

(ii) after a wholesale distributor has exceeded a resale price increase recommended by a brewer or beer importer, the brewer or beer importer raises the price that it charges the wholesale distributor in an amount proportionately larger than the amount that it raised the wholesale distributor's prices initially when compared to the increase in the resale price that it recommended to the wholesale distributor; or

(iii) the brewer or beer importer links or ties its participation in promotional discounts to the wholesale distributor's compliance with any recommended resale price.

(e) cancel, terminate, discontinue, or fail to renew, except for just cause and in accordance with the current terms and standards established by the brewer or beer importer then equally applicable to all wholesalers, any agreement or contract, written or oral, or the franchise of any wholesaler existing on January 1, 1974, or entered into after that date to sell beer manufactured by the brewer or imported by the beer importer. A brewer or beer importer may, notwithstanding the preceding sentence, make reasonable classifications among wholesalers. If a brewer or beer importer cancels or terminates a wholesaler's franchise, the brewer or beer importer has the burden of proving that the classification was reasonable and not arbitrary. The provisions of 16-3-221 through 16-3-226 must be a part of any franchise, contract, agreement, or understanding, whether written or oral, between any wholesaler of beer licensed to do business in this state and any manufacturer or beer importer doing business with the licensed wholesaler just as though the provisions had been specifically agreed upon between the wholesaler and the manufacturer or beer importer. A wholesaler of beer licensed to conduct business in the state may not waive any of the protections or agree to any provision contrary to 16-3-221 through 16-3-226 by any conduct, including but not limited to the signing of any contract or agreement with terms contrary to those provisions.

(2) (a) Just cause as used in subsection (1)(e) means that the wholesaler failed to comply with the reasonable requirements placed on the wholesaler by the brewer or beer importer as a part of any written franchise, contract, or agreement between the parties.

(b) The sale or purchase or other restructuring of the brewer or beer importer by a successor in the manufacturing tier of the beer

industry does not constitute just cause as that term is used in subsection (1)(e).

(c) For the purposes of this subsection (2), a successor means a person or entity who replaces a brewer or beer importer with regard to the right to manufacture, sell, distribute, or import a brand or brands of beer regardless of the character or form of the succession. A successor is obligated to all of the terms and conditions of any franchise, contract, agreement, or understanding, whether written or oral, in effect on the date of succession. A successor has the right to contractually require its wholesalers to comply with operational standards of performance if the standards are uniformly established for all of the successor's wholesalers and conform to the requirements of this section.

16-3-222. Mandatory provisions of brewer-wholesaler or beer importer-wholesaler contracts, agreements, and franchises. All contracts, agreements, or franchises between a brewer and a wholesaler or a beer importer and a wholesaler must specifically set forth or contain the following:

(1) that the brewer or beer importer or any officer, agent, or representative of any brewer or beer importer and the wholesaler involved mutually shall determine the size or extent of the area in which the wholesaler may sell or distribute the products of the brewer or beer importer to the retail licensees. The territory must be the territory agreed upon between the wholesaler and brewer or the wholesaler and beer importer and may not be changed without the mutual consent of both the wholesaler and brewer or the wholesaler and beer importer.

(2) the agreed-upon brands of the brewer or beer importer to be sold by the wholesaler;

(3) that the brewer or beer importer recognizes that the wholesaler is free to manage the wholesaler's business in the manner that the wholesaler considers best and that this prerogative vests in the wholesaler the exclusive right to establish selling prices, to select the brands that the wholesaler wishes to handle, and to determine the effort and resources that the wholesaler will exert to develop and promote the sale of the brewer's or beer importer's products handled by the wholesaler;

(4) a procedure for the review of alleged wholesaler deficiencies asserted by the brewer or beer importer to constitute just cause as provided in 16-3-221, including the submission in writing to the wholesaler by the brewer or beer importer of the deficiencies, if the deficiencies are susceptible of correction and if the wholesaler desires to correct the deficiencies, and that a reasonable period of time must be given the wholesaler for rectification of the deficiencies prior to any notice of intent to terminate;

(5) a termination clause providing that the brewer or beer importer shall deliver, in writing, to the wholesaler a 60-day notice of intent to terminate the agreement, contract, or franchise;

(6) that all agreements between a brewer and a wholesaler are interpreted and governed by the laws of Montana and that those laws must be liberally construed to effectuate the remedial purpose of the protections of the beer franchise law contained in 16-3-221 through 16-3-226;

(7) that in any dispute resulting in litigation between a brewer or a beer importer and a wholesaler, the litigation must occur in a Montana court, either federal or state, unless that forum would create an unreasonable burden on any party, as determined by the court in which the litigation is commenced;

(8) that all agreements between a brewer or a beer importer and a wholesaler must recognize the constitutional right to a jury trial as set forth in Article II, section 26, of the Montana constitution.

16-3-223. Transfer of wholesaler's interest in business. A wholesaler may sell or transfer the business or an interest in the business to any person or to one or more members of the wholesaler's family or heirs or legatees, whether the wholesaler operates as an individual, a partnership, or corporation. However, the consent of the brewer or beer importer in writing is required for the transferee to continue as a wholesaler of the brewer or beer importer. The consent must consider the personal, financial, and managerial responsibilities and capabilities of the transferee, and the consent may not unreasonably be withheld.

16-3-224. Contractual or franchise relationship — existence by actions. The doing or accomplishing of any of the following acts constitutes prima facie evidence of a contractual or franchise relationship between a licensed wholesaler and a brewer or beer importer within the contemplation of [16-3-221](#) through [16-3-226](#):

(1) the shipment, preparation for shipment, or acceptance of any order by any brewer or beer importer or its agent for any beer to a licensed wholesaler within this state;

(2) the payment by any licensed wholesaler within this state or the acceptance of payment by any brewer or beer importer or its agent for the shipment of an order of beer intended for sale within this state.

16-3-225. Injunction to prevent franchise cancellation. Any court of competent jurisdiction may enjoin the cancellation or termination of a franchise or agreement between a wholesaler and a brewer or between a wholesaler and a beer importer at the instance of a wholesaler who is or would be adversely affected by the cancellation or termination. In granting an injunction, the court shall provide that the brewer or beer importer shall not supply the customers or territory of the wholesaler who is servicing the territory or customers through other distributors or means while the injunction is in effect.

16-3-226. Brewer-wholesaler or beer importer-wholesaler agreements filed with department. An exact copy of all agreements, contracts, or franchises between a brewer or beer importer and a wholesaler shall be filed with the department as a public document and shall be available to any of the parties to a dispute. The department, upon the instigation of any action in a court of record, shall file an exact certified copy of the agreement with the court for the court's consideration in determining any matter before it. Any contracts, agreements, or franchises not upon record with the department shall not be considered by any court as having any force or effect.

16-3-230. Beer required to be shipped to wholesaler. Except as provided in [16-3-214](#), all beer that is to be distributed in Montana, whether manufactured outside of or within the state of Montana, must be consigned to and shipped, either directly or via a licensed storage depot, to a licensed wholesaler and unloaded into the wholesaler's warehouse in Montana or subwarehouse in Montana. A brewer or beer importer may sell only to wholesalers from a storage depot in Montana and shall maintain records of all beer, including the name or kind received, on hand, and sold. The records may at any time be inspected by a representative of the department. The wholesaler shall distribute the beer from the warehouse or subwarehouse and shall keep records at the wholesaler's principal place of business of all beer, including the name or kind received, on hand, sold, and distributed. The records may be inspected by a representative of the department at any time.

16-3-231. Monthly report of wholesaler. Every wholesaler licensed to do business in this state shall, on or before the 15th day of each month, in the manner and form prescribed by the department, make an exact return to the department of the amount of beer manufactured in this state sold and delivered by the wholesaler and also of the amount of beer manufactured in places outside of the state sold and delivered by the wholesaler during the previous month and of the wholesaler's inventory. The department may at any time make an examination of the wholesaler's books and premises and otherwise check the accuracy of the return or check the alcoholic content of beer on hand.

16-3-232. Beer sales by wholesaler. A wholesaler may sell and deliver beer purchased or acquired by the wholesaler to a wholesaler, retailer, or common carrier licensed under this code.

16-3-233. Sales to public by wholesaler unlawful. A wholesaler may not give, sell, deliver, or distribute any beer purchased or acquired by the wholesaler to the public.

16-3-234. Consumption of beer on wholesalers' premises unlawful. It shall be unlawful for any wholesaler to sell, serve, or give away any beer to be consumed on such wholesaler's premises.

16-3-235. Carriers' reports of beer transported. Every railroad and every motor carrier transporting beer manufactured out of this state from points without this state and delivering the same to points within this state shall, if requested by the department, on or before the 15th day of each month, make an exact return to the department of the amount of such beer so transported and delivered by such railroad or motor carrier during the previous month and shall state in such return the name and address of the consignor, the name and address of the consignee, the date of delivery, and the amount delivered. A carrier shall retain for 30 months all pertinent and relevant records necessary for the preparation of this report and any other information the department may require.

16-3-241. Furnishing of fixtures or interior advertising matter to retailers by brewers, beer importers, and wholesalers unlawful — exceptions. (1) (a) It is unlawful for any brewer, beer importer, or wholesaler to lease, furnish, give, or pay for any premises, furniture, fixtures, equipment, or any other advertising matter or any other property to a retail licensee, used or to be used in the dispensation of beer in and about the interior of the place of business of the licensed retailer, or to furnish, give, or pay for any repairs, improvements, or painting on or within the premises.

(b) It is lawful for a brewer, beer importer, or wholesaler to furnish, give, or loan to a retail licensee:

(i) bottle openers, can openers, trays, tap handles, menus, apparel, coasters, glassware, cups, napkins, or other functional advertising matter that does not exceed \$300 in value in any 1 calendar year to any one retail establishment for display use within the interior of the retail establishment;

(ii) not more than six illuminated or electrical signs, neon signs, lamps, or lighted clocks for each brand of beer in any 1 calendar year to any one retailer for display use within the interior of the retailer's place of business. These signs, displays, lamps, or lighted clocks may bear the name, brand name, trade name, trademark, or other designation indicating the name of the manufacturer of beer and the place of manufacture. Any beer advertised must be available for sale on the retailer's premises at the time the displays are used unless the displays are the property of the retailer or, if supplied by a brewer, beer importer, or wholesaler, a display has been in the retailer's possession for more than 9 months.

(iii) permanent or temporary advertising matter of a decorative nature, excluding items described in subsection (1)(b)(ii) but including nonelectric clocks, mirrors, banners, flags, and pennants; and

(iv) maintenance or repair services on draft beer equipment to keep it sanitary and in good working condition.

(2) A wholesaler may furnish portable equipment used for the temporary cooling, handling, and dispensing of beer to a special permittee or a retailer for use:

(a) in catering an event that is off the permittee's or retailer's regular premises; or

(b) up to three times a year, on a retailer's regular premises, for a period not to exceed 72 hours.

16-3-242. Financial interest in retailers prohibited. A brewer, beer importer, or wholesaler may not advance or loan money to or furnish money for or pay for or on behalf of any retailer any license or tax that may be required to be paid for any retailer. A brewer, beer importer, or wholesaler may not be financially interested, either directly or indirectly, in the conduct or operation of the business of a retailer. A brewer, beer importer, or wholesaler is considered to have a financial interest within the meaning of this section if:

(1) the brewer, beer importer, or wholesaler owns or holds any interest in or a lien or mortgage against the retailer or the retailer's premises;

(2) the brewer, beer importer, or wholesaler is under any contract with a retailer concerning future purchases or the sale of

merchandise by one from or to the other; or

(3) any retailer holds an interest, as a stockholder or otherwise, in the business of the wholesaler.

16-3-243. Seven-day credit limitation. No sale or delivery of beer shall be made to any retail licensee except for cash paid within 7 days after the delivery thereof, and in no event shall any brewer, beer importer, or wholesaler extend more than 7 days' credit on account of such beer to a retail licensee, nor shall any retail licensee accept or receive delivery of such beer without agreement to pay in cash therefor within 7 days from delivery thereof. A correctly dated check which is honored upon presentment shall be considered as cash within the meaning of this code. Any extension or acceptance of credit in violation hereof shall be regarded and construed as rendering or receiving financial assistance, and the licenses of brewers, beer importers, wholesalers, and retail licensees involved in violation hereof shall be suspended or revoked, as determined by the department in its discretion.

16-3-244. Beer advertising limitations. It is lawful to advertise beer, as defined and regulated, subject to the restrictions on brewers and beer importers contained in 16-3-241 of this code and subject to the following restrictions on retailers. A retail licensee may not display or permit to be displayed on the exterior portion or surface of the retailer's place of business or on the exterior portion or surface of any building of which the place of business is a part or on any premises adjacent to the place of business, whether any of the premises are owned or leased by the retailer, any sign, poster, or advertisement bearing the name, brand name, trade name, trademark, or other designation indicating the manufacturer, brewer, beer importer, wholesaler, or place of manufacture of any beer, unless it is on a marquee, board, or other space used for temporary advertisements and is not displayed for more than 10 days per display period.

16-3-301. Unlawful purchases, transfers, sales, or deliveries — presumption of legal age. (1) It is unlawful for a licensed retailer to purchase or acquire beer or wine from anyone except a brewery, winery, or wholesaler licensed under the provisions of this code.

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

(3) It is unlawful for a licensed wholesaler to purchase beer or wine from anyone except a brewery, winery, or wholesaler licensed or registered under this code.

(4) It is unlawful for any licensee, a licensee's employee, 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 21 years of age; or

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

(5) Any person under 21 years of age or any other person who knowingly misrepresents the person's qualifications for the purpose of obtaining an alcoholic beverage from the licensee is equally guilty with the licensee and, upon conviction, is subject to the penalty provided in 45-5-624. However, nothing in this section may be

construed as authorizing or permitting the sale of an alcoholic beverage to any person in violation of any federal law.

(6) All licensees must display in a prominent place in their premises a placard, issued by the department, stating fully the consequences for violations of the provisions of this code by persons under 21 years of age.

(7) For purposes of 45-5-623 and this title, the establishment of the following facts by a person making a sale of alcoholic beverages to a person under the legal age constitutes prima facie evidence of innocence and a defense to a prosecution for sale of alcoholic beverages to a person under the legal age:

(a) the purchaser falsely represented and supported with documentary evidence that an ordinary and prudent person would accept that the purchaser was of legal age to purchase alcoholic beverages;

(b) the appearance of the purchaser was such that an ordinary and prudent person would believe the purchaser to be of legal age to purchase alcoholic beverages; and

(c) the sale was made in good faith and in reasonable reliance upon the representation and appearance of the purchaser that the purchaser was of legal age to purchase alcoholic beverages. (*See compiler's comments for contingent termination of certain text.*)

16-3-321. Keg identification tag. (1) A licensee may not sell a keg of beer unless an identification tag is attached to the keg by the licensee.

(2) An identification tag must consist of paper, plastic, metal, or durable material that is not easily damaged or destroyed. An identification tag may be attached to a keg at the time of sale with a nylon tie or cording, wire tie or other metal attachment device, or other durable means of tying or attaching the tag to the keg.

(3) The identification information contained on the tag must include:

(a) the licensee's name, address, and telephone number; and

(b) a prominently visible warning that intentional removal or defacement of the tag is a criminal offense.

(4) A retailer that accepts the return of a keg that does not have an identification tag attached shall obtain the information required in 16-3-322 on the original purchaser, to the extent possible, and obtain the same information on the person returning the keg. This information must be kept on file with the retailer for not less than 45 days from the date of return.

(5) A person, other than the licensee, the wholesaler of malt beverages, or a law enforcement officer, may not intentionally remove identification placed on a keg in compliance with this section.

(6) For the purposes of 16-3-321 through 16-3-324, the following definitions apply:

(a) "Keg" means a brewery-sealed, single container that contains not less than 7 gallons of beer.

(b) "Licensee" means a person who is licensed under Title 16, chapter 4, and who sells kegs to a consumer.

(7) The department shall develop and make available the identification tags required by this section.

16-3-322. Recordkeeping. (1) A licensee, at the time of the sale of a keg, shall record the following:

(a) the purchaser's name, address, and date of birth and the number of the purchaser's driver's license, state-issued or military identification card, tribal identification card, or valid United States or foreign passport;

(b) the date of purchase;

(c) the name of the clerk making the sale; and

(d) the purchaser's signature and date of purchase.

(2) The licensee shall maintain the record for not less than 45 days after the date of the sale.

(3) A licensee who maintains the records required by this section shall make the records available during regular business hours for inspection by law enforcement pursuant to 16-3-323.

16-3-323. Enforcement. (1) A law enforcement officer may not request information on file about the original purchaser of a keg unless in connection with a violation of 16-6-305, 45-5-623, or 45-5-624(4). The officer shall return any recovered keg to the licensee and verify the information on file about the original purchaser.

(2) The deposit on the keg and any related deposit to the licensee must be forfeited by the original purchaser.

16-3-324. Violations. (1) A person who knowingly fails to attach a keg tag as provided in 16-3-321 is guilty of a misdemeanor and shall be fined an amount not to exceed \$100.

(2) A person may not remove, deface, or damage the identification on a keg purposely to make it unreadable. A person convicted of purposely removing, defacing, or damaging a tag shall be fined an amount not to exceed \$500 or be imprisoned in the county jail for not more than 6 months, or both.

16-3-401. Short title — public policy — purpose. (1) This part may be cited as the "Wine Distribution Act".

(2) The public policy of the state of Montana is to maintain a system to provide for, regulate, and control the acquisition, importation, and distribution of table wine.

(3) This part governs wineries, table wine distributors, and wine retailers.

16-3-402. Importation of wine — records. (1) Except as provided in 16-3-411 and 16-4-901, all table wine manufactured outside of Montana and shipped into Montana must be consigned to and shipped to a licensed table wine distributor and be unloaded by the distributor into the distributor's warehouse in Montana or subwarehouse in Montana. The distributor shall distribute the table wine from the warehouse or subwarehouse.

(2) The distributor shall keep records at the distributor's principal place of business of all table wine, including the name or kind received, on hand, sold, and distributed. The records may at all times be inspected by the department.

(3) Table wine that has been shipped into Montana in violation of this code must be seized by any peace officer or representative of the department and may be confiscated in the manner as provided for the confiscation of intoxicating liquor.

16-3-403. To whom table wine distributor may sell. (1) A table wine distributor may sell and deliver table wine purchased or acquired by the distributor to:

- (a) another table wine distributor, retailer, or common carrier that holds a license issued by the department of revenue; and
- (b) an agency liquor store.

(2) It is unlawful for any table wine distributor to sell, deliver, or give away any table wine to be consumed on the distributor's premises or to give, sell, deliver, or distribute any table wine purchased or acquired by the distributor to the public.

16-3-404. Monthly report of table wine distributor and retailer. (1) Each licensed table wine distributor shall, on or before the 15th day of each month, make an exact return to the department of revenue reporting the amount of table wine purchased or acquired by the distributor during the previous month, the amount of table wine sold and delivered by the distributor during the previous month, and the amount of inventory on hand in the manner and form prescribed by the department. The department has the right at any time to make an examination of the table wine distributor's books and premises and otherwise check the accuracy of the return or check the alcoholic content of table wine that the distributor may have on hand.

(2) Each wine retailer licensed to do business in this state shall, on or before the 15th day of each month, in the manner and form prescribed by the department, make a return to the department reporting the amount of wine purchased directly from any out-of-state winery in the previous month.

16-3-405. Carriers' reports of table wine transported. Every railroad, motor carrier, and airline transporting table wine manufactured out of this state from points outside this state and delivering to points within this state shall, if requested by the department, on or before the fifteenth day of each month, make an exact return to the department of revenue of the amount of such table wine so transported and delivered by such railroad, motor carrier, or airline during the previous month, and shall state in such return the name and address of the consignor and consignee, the date of delivery, and the amount delivered. A carrier shall retain for 30 months all pertinent and relevant records necessary for the preparation of this report and any other information the department may require.

16-3-406. Financial interest in retailers prohibited. (1) A winery or table wine distributor may not advance or loan money to, or furnish money for, or pay for or on behalf of any retailer any license or tax that may be required to be paid by any retailer, and a winery or table wine distributor may not be financially interested, either directly or indirectly, in the conduct or operation of the business of a retailer.

(2) A winery or table wine distributor is considered to have a financial interest if:

- (a) the winery or table wine distributor owns or holds any interest in or a lien or mortgage against the retailer or the retailer's premises; or

(b) the winery or table wine distributor is under any contract with a retailer concerning future purchases or the sale of merchandise by one from or to the other; or

(c) the table wine distributor extends more than 7 days' credit to a retail licensee or furnishes to any retail licensee any furniture, fixtures, or equipment to be used in the dispensation or sale of table wine; or

(d) any retailer holds an interest as a stockholder, or otherwise, in the business of the table wine distributor.

16-3-415. Definitions. As used in this part, unless the context requires otherwise, the following definitions apply:

(1) "Agreement of distributorship" means a contract, agreement, commercial relationship, license, or other arrangement for a definite or an indefinite period of time between a supplier and a table wine distributor that provides for the sale of table wine by the supplier to the table wine distributor.

(2) "Good cause" means failure by a table wine distributor to comply with reasonable business requirements imposed, or sought to be imposed, by a supplier under the terms of an agreement of distributorship if the requirements are imposed on other similarly situated distributors either by the terms of their agreements or in the manner of their enforcement by the supplier.

(3) "Person" means a natural person, corporation, partnership, trust, agency, or other entity and includes individual officers, directors, or other persons in active control of the activities of the entity.

(4) "Supplier" means a winery or an importer of table wines that enters into or is a party to an agreement of distributorship with a table wine distributor.

16-3-416. Table wine distributor provisions. (1) A supplier or table wine distributor must have a written agreement of distributorship that provides for purchase of the supplier's products from the supplier by the table wine distributor.

(2) An agreement of distributorship must provide that:

(a) a supplier shall notify a table wine distributor in writing at least 60 days prior to termination of an agreement of distributorship unless a termination without notice is permitted as provided in 16-3-417. The written notice must state the reasons for termination. Notice of termination is void if within 60 days of the notice, the table wine distributor rectifies the deficiency stated as the reason for termination and if the deficiency was not stated as reason for termination in a notice previously voided under the provisions of this subsection.

(b) a supplier may not unreasonably withhold or delay approval of a sale or transfer of the ownership, management, or control of a table wine distributorship. However, a table wine distributor shall give a supplier no less than 60 days' prior written notice of any material change in ownership, management, or control.

(3) Within 60 days after entering into an agreement of distributorship, the supplier shall advise the department of the agreement by filing a copy of the agreement that must include the sales area or areas designated for the table wine distributor.

(4) If a supplier terminates an agreement of distributorship under the provisions of subsection (2)(a), the table wine distributor subject to the termination is entitled to compensation for the laid-in cost of inventory. In the event of any termination of the agreement by the supplier other than termination for good cause or for any reason set forth in 16-3-417(3), the distributor is entitled to compensation for the laid-in cost of inventory and to liquidated damages based on the sales of the brand or brands involved, as may be provided in the agreement. If the supplier and the distributor are unable to agree on the amount of liquidated damages, the amount of liquidated damages must be determined by an arbitrator appointed under subsection (5) of this section.

(5) If undertaken in good faith by a supplier, a supplier may terminate an agreement of distributorship for a legitimate business reason not within the definition of good cause if an arbitrator appointed by the department finds, after hearing the supplier and the table wine distributor, that the termination is in the best interest of the table wine brand concerned. Arbitration under this section must be conducted under the provisions of Title 27, chapter 5.

(6) All agreements of distributorship are interpreted and governed by the laws of Montana.

(7) In any dispute resulting in litigation between a supplier and a distributor, the litigation must occur in a Montana court, federal or state, unless that forum would create an unreasonable burden on any party, as determined by the court in which the litigation is commenced.

(8) Agreements between a supplier and a distributor must recognize the constitutional right to a jury trial as set forth in Article II, section 26, of the Montana constitution.

(9) A provision in an agreement of distributorship that is inconsistent with the requirements of this section is void.

16-3-417. Supplier provisions. (1) An agreement of distributorship must provide that a table wine distributor shall:

- (a) maintain the financial and competitive capability to efficiently and effectively distribute a supplier's products;
- (b) maintain the quality and integrity of a supplier's products in a manner set forth by the supplier;
- (c) exert the table wine distributor's best efforts to sell the supplier's wines;
- (d) merchandise the products in retail stores as agreed between the table wine distributor and the supplier; and
- (e) give a supplier not less than 60 days' written notice of the table wine distributor's intent to terminate an agreement of distributorship.

(2) As provided in 16-3-416, a supplier may terminate an agreement of distributorship based on a deficiency or other good cause by giving 60 days' prior written notice to the table wine distributor.

(3) A supplier may terminate an agreement of distributorship immediately and without notice if the reason for the termination is insolvency, assignment for the benefit of creditors, bankruptcy, or revocation or suspension for more than 14 days of a license to operate that is required by the state or the federal government.

16-3-418. Dual appointments — equal support — alternate supplier — dock sales. (1) (a) A supplier may appoint one or more table wine distributors to distribute its table wines in a specified territory. If the supplier appoints two or more table wine distributors to sell its table wines in the same or overlapping territories, the supplier shall offer the same prices, delivery, terms, and promotional support to each table wine distributor.

(b) A supplier may not appoint more than one table wine distributor to distribute its hard cider in a specified territory.

(c) For the purposes of this subsection (1), “table wine” has the meaning assigned in 16-1-106, but does not include hard cider.

(2) (a) The holder of an all-beverages license under chapter 4, part 2, may, upon presentation of the license or a photocopy of the license, personally obtain from any distributor’s warehouse a quantity of table wine that the licensee may agree to buy and that the distributor may agree to sell.

(b) The holder of a license that permits on-premises consumption of alcoholic beverages under 16-4-401(2) may, upon presentation of the license or a photocopy of the license, personally or through an employee, obtain from a winery, as provided in 16-3-411(1)(h), a quantity of table wine that the licensee may agree to buy and that the winery may agree to sell.

16-3-419. Suppliers’ prohibitions. A supplier may not:

(1) coerce, induce, or attempt to coerce or induce a table wine distributor to engage in an illegal act or course of conduct;

(2) require a table wine distributor to accept delivery of a product or other item or commodity that was not ordered by the wine distributor;

(3) fix or maintain the price at which a distributor shall resell table wine.

16-3-420. Applicability. Within 60 days after October 1, 1991, or within 60 days after the execution of a new agreement by the parties, whichever is later, an agreement of distributorship must be reduced to writing and an exact copy of the agreement must be filed with the department as a public document and must be available to any of the parties to a dispute. Upon filing with the department, the agreement becomes subject to the provisions of 16-1-106, 16-3-401, and 16-3-415 through 16-3-421.

16-3-421. Injunction. A person injured by a violation of this part may bring a civil action in a court of competent jurisdiction to enjoin further violations in addition to other remedies provided by law.

16-4-103. Wholesalers’ licenses — application and issuance — subwarehouses — imported beer handled through warehouse or subwarehouse — wine storage. (1) Any person desiring to sell and distribute beer as a wholesaler shall apply to the department for a license and tender with the application the required license fee. The department shall issue wholesale licenses to qualified applicants in accordance with the provisions of this code. A license must be prominently displayed at all times in the place of business of the wholesaler.

(2) An applicant shall maintain a fixed place of business, sufficient capital, and the facilities, storehouse, receiving house, or warehouse for the receiving of, storage, handling, and moving of beer in large and jobbing quantities for distribution and sale in original packages to other licensed wholesalers or licensed retailers. Each wholesaler is entitled to only one wholesale license, which must be issued for the wholesaler's principal place of business in Montana. Duplicate licenses may be issued for the wholesaler's subwarehouses in Montana. The duplicate licenses must be prominently displayed at all times at the subwarehouses.

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

(4) A wholesaler that is also licensed as a table wine distributor may store wine in any of the wholesaler's warehouses or subwarehouses.

(5) As used in subsection (1), "distribute" has the meaning provided in 16-3-218.

16-4-104. Beer retailer's license — application and issuance — check of alcoholic content by department. (1) Any person desiring to possess and have beer for the purpose of retail sale under the provisions of this code shall first apply to the department for a permit to do so and submit with the application the license fee.

(2) Upon being satisfied, from the application or otherwise, that the applicant is qualified, the department shall issue a license to the person. The license must at all times be prominently displayed in the place of business of the person.

(3) If the department finds that the applicant is not qualified, a license may not be granted and the license fee must be returned by the department.

(4) The department may, at any time, examine the books of account and the premises of any licensed retailer and otherwise check the retailer's methods of conducting business and the alcoholic content of the beer kept for sale.

(5) A person may not sell beer at retail without a valid license issued under this code.

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

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

(3) A license fee may not be imposed upon table wine distributors by a municipality or any other political subdivision of the state.

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

(5) An applicant must have a fixed place of business, sufficient capital, the facilities, storehouse, and receiving house or warehouse for the receiving, storage, handling, and moving of table wine in large and jobbing quantities for distribution and sale in original

packages to other licensed table wine distributors or licensed retailers. Each table wine distributor is entitled to only one wholesale table wine license, which must be issued for the distributor's principal place of business in Montana. A duplicate license may be issued for one subwarehouse only in Montana for each table wine distributor's license. The duplicate license must at all times be prominently displayed at the subwarehouse. A table wine distributor may also hold a license to sell beer at wholesale but may not hold or have any interest, direct or indirect, in any license to sell beer, table wine, or liquor at retail.

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

(7) As used in subsection (1), "distribute" has the meaning provided in 16-3-218.

16-4-313. Sacramental wine license. (1) The department may issue a sacramental wine license to an establishment located in Montana that sells sacramental wine at retail to rabbis, priests, pastors, ministers, or other officials of churches or other established religious organizations exclusively for their off-premises use as sacramental wine or for other religious purposes.

(2) An application for a license under this section must be accompanied by a fee of \$200, which constitutes the first annual license fee. The annual license renewal fee is \$100.

(3) Unless the sacramental wine is purchased onsite at the premises of the licensed retailer, an establishment selling sacramental wine for religious purposes shall deliver directly to the religious organization's premises using the establishment's own employees and equipment.

(4) A sacramental wine licensee shall maintain records of all wine sales made during the preceding 2 years and shall allow the department access to the records when requested so that the department can ascertain whether the limitations of subsection (1) are being complied with.

(5) Upon receipt of a completed application for a license under this section, the department may request that the department of justice make a background investigation of all matters relating to the application.

(6) Based on the results of the investigation or in exercising its sound discretion, the department shall determine whether:

(a) the applicant is qualified to receive a license;

(b) the applicant's premises are suitable for the carrying on of the business; and

(c) the requirements of this code and the rules promulgated by the department are being met and complied with.

(7) License applications submitted under this section are not subject to the provisions of 16-4-203 and 16-4-207.

(8) If the premises proposed for licensing under this section are a new or remodeled structure, the department may issue a conditional license prior to completion of the premises upon reasonable evidence that the premises will be suitable for the carrying on of business as a bona fide establishment for selling sacramental wine.

16-4-404. Protest period — contents of license — posting — privilege — transfer. (1) A license may not be issued until on or after the date set in the notice for hearing protests.

(2) Every license issued under this code must state the name of the person to whom it is 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 the license, and other information the department considers necessary. If the licensee is a partnership or if more than one person has an 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 in which the business authorized under the license is conducted, and the license must be exhibited upon request to any authorized representative of the department or the department of justice or to any peace officer of the state of Montana.

(3) A license issued under the provisions of this code is a privilege personal to the licensee named in the license and is valid until the expiration of the license unless sooner revoked or suspended.

(4) A license may be transferred to the executor or administrator of the estate of a deceased licensee when the estate consists in whole or in part of the business of selling alcoholic beverages under a license. The license may descend or be disposed of with the licensed business under appropriate probate proceedings.

(5) (a) A licensee may apply to the department for a transfer of the license to different premises within the quota area if:

(i) there has been major loss or damage to the licensed premises by unforeseen natural causes;

(ii) the lease of the licensed premises has expired;

(iii) in case of rented licensed premises, there has been an eviction or increase of rent by the landlord; or

(iv) the licensee has proposed removal of the license to premises that are as substantially suited for the retail alcoholic beverages business as the premises proposed to be vacated.

(b) The department may, after notice and opportunity for protest, permit a transfer in the cases specified in subsection (5)(a) if it appears to the department that a transfer is required to do justice to the licensee applying for the transfer and the transfer is justified by public convenience and necessity, pursuant to 16-4-203, unless a public convenience and necessity hearing is required by 16-4-207.

The department may not allow a transfer to different premises where the sanitary, health, and service facilities are less satisfactory than facilities that exist or had existed at the premises from which the transfer is proposed to be made.

(6) Upon a bona fide sale of the business operated under a license, the license may be transferred to a qualified purchaser. A transfer of a license to a person or location is not effective unless approved by the department. A licensee or transferee or proposed transferee who operates or attempts to operate under a supposedly transferred license prior to the approval of the transfer by the department, endorsed upon the license in writing, is considered to be 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 if there has not been a change in location and the application for transfer has been filed with the department.

(7) Except as provided in 16-4-204 and subsections (2) through (6) of this section, a license may not be transferred or sold or used for any place of business not described in the license. A 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. Beer or wine sold to a licensee on credit pursuant to 16-3-243 or 16-3-406 does not create a lien upon a license, but a subsequent licensee has the obligation to pay for the beer or wine.

16-4-901. Connoisseur's licenses — application — fees. (1) A person in this state desiring to receive direct shipments of beer only, wine only, or both beer and wine from an out-of-state brewery or winery for the person's own consumption and not for resale shall file with the department an application for a connoisseur's license. The application must be accompanied by a registration fee in the amount of:

- (a) \$50 for a beer connoisseur's license;
- (b) \$50 for a wine connoisseur's license; or
- (c) \$100 for a beer and wine connoisseur's license.

(2) Each application for a license must be on a form prescribed by the department and must set forth the name of the applicant, the applicant's home or business address, proof that the applicant is at least 21 years of age, and other information that the department may require.

(3) A connoisseur's license expires on June 30 of each calendar year. A licensee may annually renew a license with the department by paying a \$25 renewal fee for a beer connoisseur's license or a wine connoisseur's license and a \$50 renewal fee for a beer and wine connoisseur's license.

(4) The holder of a connoisseur's license may not sell beer or wine to the public.

(5) The department shall adopt rules to provide procedures for the application for and the provision of a connoisseur's license.

16-4-902. Payment of taxes — authority of department. (1) A person holding a connoisseur's license shall pay, on June 30 and December 31, the beer and wine taxes imposed by Title 16, chapter 1, part 4, on beer or wine that is received by direct shipment from an out-of-state brewery or winery during the previous 6-month period.

(2) Each holder of a connoisseur's license shall file with the department a return, on a form provided by the department, and pay the tax for shipments received.

16-4-903. Direct shipment of beer or wine — limitations. (1) Subject to the provisions of 16-4-901, the holder of a connoisseur's license may receive up to 144 bottles or 12 cases of wine or 288 bottles or 12 cases of beer from an out-of-state brewery or winery during a 12-month period for personal use and not for resale. A person wishing to receive both wine and beer under this section must possess a beer and wine connoisseur's license.

(2) A licensee under this section shall forward to the out-of-state brewery or winery a distinctive address label, provided by the department, clearly identifying any package that is shipped as a legal direct-shipment package to the holder of a connoisseur's license.

(3) A licensee shall report to the department, on June 30 and December 31, the total amount of beer or wine received from an out-of-state brewery or winery and pay all applicable excise taxes, as provided for in Title 16, chapter 1, part 4, imposed on the receipt of beer or wine during the previous 6 months.

16-4-906. Out-of-state brewery or winery registration — limitation on shipping — penalty. (1) Each out-of-state brewery or winery desiring to ship beer or wine to a person holding a connoisseur's license shall register with the department on forms provided by the department.

(2) The annual limit on out-of-state shipments to all connoisseur's license holders is:

- (a) 1,440 bottles or 60 cases of beer for breweries; and
- (b) 720 bottles or 60 cases of wine for wineries.

(3) For any shipment into the state that exceeds the limits provided for in subsection (2), the out-of-state brewery or winery may:

(a) distribute the brewery's or winery's product through a licensed wholesale distributor;

(b) distribute through direct shipment to licensed retailers in accordance with the provisions of 16-3-411 if the winery is licensed pursuant to 16-4-107; or

(c) distribute as a brewery in accordance with the provisions of 16-3-214.

(4) An out-of-state brewery or winery that violates the provisions of this section is subject to the penalties provided for in 16-6-302.

16-4-910. Penalty for noncompliance. (1) Except as provided in 16-4-906, a person who violates the provisions of this part commits a civil offense.

(2) A person convicted under subsection (1):

(a) for a first offense, must be mailed a certified letter by the department ordering that person to cease and desist committing the violation;

(b) for a second offense, shall be fined a civil penalty not to exceed \$500; and

(c) for a third or subsequent offense, shall be fined a civil penalty not to exceed \$2,500.

16-6-301. Transfer, sale, and possession of alcoholic beverages — when unlawful. (1) Except as provided by this code, a person or the person's agents or employees may not:

(a) expose or keep an alcoholic beverage for sale;

(b) directly or indirectly or upon any pretense or upon any device, sell or offer to sell an alcoholic beverage; or

(c) in consideration of the purchase or transfer of any property or for any other consideration or at the time of the transfer of any property, give to any other person an alcoholic beverage.

(2) A person may not have or keep any alcoholic beverage that has not been purchased within the state of Montana.

(3) This code does not prohibit:

(a) a person entering this state from another state or foreign country from having in the person's actual physical possession an amount not to exceed 3 gallons of alcoholic beverage that was purchased in another state or foreign country;

(b) possession of beer produced for personal or family use and not intended for sale that meets the exemptions of 26 U.S.C. 5053(e) and regulations implementing that section, including the brewing of beer, for personal or family use, on premises other than those of the person brewing the beer;

(c) possession of beer or wine purchased from an out-of-state brewery or winery if the person possessing the beer or wine holds a connoisseur's license as provided for in 16-4-901;

(d) possession of alcoholic beverages by brewers, distillers, and other persons duly licensed by the United States for the manufacture of those alcoholic beverages;

(e) possession of proprietary or patent medicines or of any extracts, essences, tinctures, or preparations if the possession is authorized by this code; or

(f) possession by a sheriff or bailiff of alcoholic beverages seized under execution or other judicial or extrajudicial process or sales under executions or other judicial or extrajudicial process to the department or a licensee.

(4) Except as provided in this code, a person or the person's agents or employees may not:

(a) attempt to purchase any alcoholic beverage;

(b) directly or indirectly or upon any pretense or device, purchase any alcoholic beverage; or

(c) in consideration of the sale or transfer of any property or for any other consideration or at the time of the transfer of any property, take or accept from any other person any alcoholic beverage.

16-6-302. Sale of alcoholic beverage without license — sale or importation in violation of code — penalty. (1) For the purposes of this section "person" means an individual, partnership, corporation, company, firm, society, association, joint-stock company, trust, or other entity capable of holding a legal or beneficial interest in property, but does not include a state or agency of a state.

(2) A person who has not been issued a license under this code who sells or keeps for sale in Montana any alcoholic beverage commits a criminal offense and upon conviction is punishable by a fine not to exceed \$5,000 or by imprisonment in the state prison for not less than 1 or more than 5 years or by both the fine and imprisonment.

(3) A person in the business of selling alcoholic beverages in another state or country who imports or distributes alcoholic beverages in violation of this code commits a civil offense.

(4) A person convicted under subsection (3):

(a) for a first offense, must be mailed a certified letter by the department ordering that person to cease and desist any shipments of alcoholic beverages to any person in Montana;

(b) for a second offense, shall be fined a civil penalty not to exceed \$5,000;

(c) for a third offense, shall be fined a civil penalty not to exceed \$10,000; and

(d) for a fourth or subsequent offense, shall be fined a civil penalty not to exceed \$50,000.

61-2-302. Establishment of driver rehabilitation and improvement program — participation by offending drivers. (1) The department may establish by administrative rules a driver rehabilitation and improvement program or programs. The programs may consist of classroom instruction in rules of the road, driving techniques, defensive driving, driver attitudes and habits, actual on-the-road driver's training, and other subjects or tasks designed to contribute to proper driving attitudes, habits, and techniques and must include the requirements for obtaining a restricted probationary driver's license.

(2) Except when otherwise provided or restricted by statute, a person whose driver's license is suspended or revoked by the department may participate in any driver rehabilitation and improvement program established under this section if the person's license is:

(a) suspended as a result of a violation of the traffic laws of this state, unless the suspension was imposed under the authority provided in Title 61, chapter 8, part 8; or

(b) revoked and the person has:

(i) completed at least 3 months of a 1-year revocation; or

(ii) completed 1 year of a 3-year revocation; and

(iii) met the requirements for reobtaining a Montana driver's license.

(3) Notwithstanding any provision of this part inconsistent with any other law of the state of Montana, the enforcement of any suspension or revocation order that constitutes the basis for any person's participation in the driver rehabilitation and improvement program provided for in this section may be stayed if that person complies with the requirements established for the driver rehabilitation and improvement program and meets the eligibility requirements of subsection (2).

(4) If a person's driver's license has been surrendered before the person's selection for participation in the driver rehabilitation and improvement program, the license may be returned upon receipt of the person's agreement to participate in the program.

(5) The stay of enforcement of any suspension or revocation action must be terminated and the suspension or revocation action must be reinstated if a person declines to participate in the driver rehabilitation and improvement program or fails to meet the attendance or other requirements established for participation in the program.

(6) This part does not create a right to be included in any program established under this part.

(7) The department may establish a schedule of fees that may be charged to those persons participating in the driver improvement and rehabilitation program. The fees must be used to help defray costs of maintaining the program.

(8) A person may be referred to this program by a driver improvement analyst, city judge, justice of the peace, youth court

judge, judge of a district court of the state, or hearing examiner of the department.

(9) (a) Except as provided in subsection (9)(b), the department may issue a restricted probationary license to any person who enrolls and participates in the driver rehabilitation and improvement program. Upon issuance of a probationary license under this section, the licensee is subject to the restrictions set forth on the license.

(b) The department may not issue a restricted probationary license that would permit an individual to drive a commercial motor vehicle during a period in which:

(i) the individual is disqualified from operating a commercial motor vehicle under state or federal law; or

(ii) the individual's driver's license or driving privilege is revoked, suspended, or canceled.

(10) It is a misdemeanor for a person to operate a motor vehicle in any manner in violation of the restrictions imposed on a restricted license issued to the person under this section.

61-5-208. Period of suspension or revocation — limitation on issuance of probationary license — notation on driver's license. (1) The department may not suspend or revoke a driver's license or privilege to drive a motor vehicle on the public highways, except as permitted by law.

(2) (a) Except as provided in 61-2-302, a person whose license or privilege to drive a motor vehicle on the public highways has been suspended or revoked may not have the license, endorsement, or privilege renewed or restored until the revocation or suspension period has been completed.

(b) When a person is convicted or forfeits bail or collateral not vacated for a first offense of operating or being in actual physical control of a motor vehicle while under the influence of alcohol or any drug or a combination of alcohol or drugs or for a first offense of operation of a motor vehicle by a person with alcohol concentration of 0.08 or more, the department shall, upon receiving a report of conviction or forfeiture of bail or collateral not vacated, suspend the driver's license or driving privilege of the person for a period of 6 months. Upon receiving a report of a conviction or forfeiture of bail or collateral for a second, third, or subsequent offense within 5 years of the first offense, the department shall suspend the license or driving privilege of the person for a period of 1 year and may not issue a probationary license during the period of suspension unless the person completes at least 45 days of the 1-year suspension and the report of conviction includes a recommendation from the court that a probationary driver's license be issued subject to the requirements of 61-8-442. If the 1-year suspension period passes and the person has not completed a chemical dependency education course, treatment, or both, as required under 61-8-732, the license suspension remains in effect until the course, treatment, or both, are completed.

(c) For the purposes of subsection (2)(b), a person is considered to have committed a second, third, or subsequent offense if fewer than 5 years have passed between the date of an offense that resulted in a prior conviction and the date of the offense that resulted in the most recent conviction.

(3) (a) Except as provided in subsection (3)(b), the period of suspension or revocation for a person convicted of any offense that makes mandatory the suspension or revocation of the person's driver's license commences from the date of conviction or forfeiture of bail.

(b) A suspension commences from the last day of the prior suspension or revocation period if the suspension is for a conviction of driving with a suspended or revoked license.

(4) If a person is convicted of a violation of 61-8-401 or 61-8-406 while operating a commercial motor vehicle, the department shall suspend the person's driver's license as provided in 61-8-802.

(5) (a) A driver's license that is issued after a license revocation to a person described in subsection (5)(b) must be clearly marked with a notation that conveys the term of the person's probation restrictions.

(b) The provisions of subsection (5)(a) apply to a license issued to a person for whom a court has reported a felony conviction under 61-8-731, the judgment for which has as a condition of probation that the person may not operate a motor vehicle unless:

(i) operation is authorized by the person's probation officer; or

(ii) a motor vehicle operated by the person is equipped with an ignition interlock device.

61-8-422. Prohibition on transfer, sale, or encumbrance of vehicles subject to seizure or forfeiture — penalty. (1) It is unlawful for the owner of a vehicle subject to seizure under 61-5-212 or seizure and forfeiture under 61-8-733 to transfer, sell, or encumber the owner's interest in that vehicle from the time of the owner's arrest or the filing of the underlying charge until the time that the underlying charge is dismissed, the owner is acquitted of the underlying charge, the issue of seizure or forfeiture is resolved by the sentencing court, or the underlying charge is otherwise terminated.

(2) The prohibition against transfer of title may not be stayed pending the determination of an appeal from the conviction on the underlying charge.

(3) A person who violates this section is guilty of a felony and upon conviction shall be imprisoned in the county jail for not more than 2 years, fined an amount not more than \$20,000, or both.

ADMINISTRATIVE RULES

42.12.313 WINE OR BEER TASTINGS (1) Wine tastings must be conducted by a retail licensee, special permittee or catering permittee.

(2) In no case can a wine distributor, a beer wholesaler, a winery/wine importer or a brewer/beer importer conduct a wine tasting other than at licensed retail premises or other than a domestic winery as allowed under 16-3-411, MCA.

(3) This rule shall not apply to wine tastings which are held in a private home wherein no consideration, remuneration, contribution, donation, gift, or any other money or thing of value is solicited or charged for entry or attendance and which do not violate the provisions of 16-6-306, MCA.

42.13.101 COMPLIANCE WITH LAWS AND RULES (1) All licensees, their agents, and employees must conduct the licensed premises in compliance with the rules of other state and local agencies and abide by all:

- (a) provisions of the laws of Montana and the United States related to alcoholic beverages;
- (b) county and city or town ordinances related to alcoholic beverages;
- (c) Indian liquor laws applicable within the areas of Indian country, as defined by 18 USC 1151, provided a tribe having jurisdiction over such area of Indian country adopted an ordinance, certified by the Secretary of the Interior, and published in the Federal Register; and
- (d) rules of the department relating to alcoholic beverages.

(2) Proof of violation by a licensee or the licensee's agent or employee of any of the provisions of the above laws, ordinances, or rules is sufficient grounds for revocation or suspension of the license, and licensees may be reprimanded or assessed a civil penalty in accordance with 16-4-406, MCA.

(3) The department will impose progressive penalties for multiple violations of any laws, ordinances and rules within any three-year period unless mitigating circumstances indicate the penalty should be reduced, or aggravating circumstances indicate the penalty should be increased. Violations and progressive penalties include, but are not limited to, those listed on the following chart. Any combination of four of the violations listed below occurring within a three-year period could result in a license revocation action.

Violation	1st Offense	2nd Offense	3rd Offense	4th Offense
Sale to a Minor	\$250	\$1000	\$1500/ 20-day Suspension	Revocation
Sale to Intoxicated Persons	\$250	\$1000	\$1500/ 20-day Suspension	Revocation
Open after Hours	\$150	\$600	\$1000/ 12-day Suspension	Revocation

Violation	1st Offense	2nd Offense	3rd Offense	4th Offense
Sale after Hours	\$150	\$600	\$1000/ 12-day Suspension	Revocation
Re-pouring	\$250	\$1000	\$1500/ 20-day Suspension	Revocation
Denial of Right to Inspect	\$150	\$600	\$1000/ 12-day Suspension	Revocation
No Approval to Alter	\$300	\$600	\$1000/ 12-day Suspension	Revocation
No Management Agreement	\$150	\$600	\$1000/ 12-day Suspension	Revocation
Improper use of Catering Endorsement	\$150	\$600	\$1000/ 12-day Suspension	Revocation
Accept more than 7 Days credit	\$250	\$1000	\$1500/ 20-day Suspension	Revocation
Extend more than 7 Days Credit	\$250	\$1000	\$1500/ 20-day Suspension	Revocation
Undisclosed Ownership Interest	Fine, Suspension or Revocation			
90-Day Nonuse Without Approval	Lapse			

(4) The department will not consider reinstatement of a revoked license for one year from the date of revocation. In every case, reinstatement will only be allowed if:

- (a) the licensee demonstrates to the department that the licensee has taken steps to insure the causes of the license revocation will be prevented from occurring in the future; and
- (b) a license is available under the quota.

(5) A revoked license will affect a license quota area and the following may result:

- (a) if it causes the area to be under quota, a notice of availability of a license will be published in the newspaper of general circulation in the quota area and invite applications for the available license; or
- (b) if the area is over quota the revoked license will cease to be available for issuance.

(6) A revoked beer or beer and wine license issued within a city quota area before October 1997, if reinstated will not allow any gaming or gambling activity on the licensed premises.

(7) Mitigating circumstances in the case of sale to a minor could result in a reprimand for the first offense under Title 16, MCA, within the most current three-year period if the licensee has provided alcoholic beverage service training acceptable to the department to all of its employees and reinforces that training with each employee at least every two years. The licensee must demonstrate that the person who made the sale to a minor has completed alcoholic beverage service training prior to the

department considering issuance of a reprimand. A written reprimand will be considered a first offense for the application of the progressive penalty schedule only if the licensee commits the same offense again within one year. The written reprimand in lieu of a violation shall be available only one time per licensee.

(8) Aggravating circumstances may result in the imposition of maximum monetary penalties, maximum suspension time or revocation, and will not bind the department to the progressive penalty framework indicated in (3).

(9) Aggravating circumstances include, but are not limited to:

(a) no effort on the part of a licensee to prevent a violation from occurring;

(b) a licensee's failure to report a violation at the time of renewal;

(c) a licensee's ignoring warnings issued by a regulating authority about compliance problems;

(d) a licensee's failure to timely respond to requests during the investigation of a violation; and

(e) a violation's significant negative effect on the health and welfare of the community in which the licensee operates.

(10) If the violation discovered is an undisclosed ownership interest, the department will consider aggravating circumstances described in (9) and mitigating circumstances such as voluntary disclosure of relevant facts in determining the appropriate penalty.

(11) Nothing in this rule prevents the department from revoking, suspending or refusing the renewal of a license if revocation, suspension or refusing renewal are expressly allowed in law or rule with reference to a prohibited act.

42.13.109 SEVEN-DAY CREDIT LIMITATION (1) A brewery license, a beer wholesaler license, a winery license, or a table wine distributor license will be suspended or revoked or otherwise sanctioned under 16-4-406, MCA, if credible evidence demonstrates that a licensee extended credit to a retail licensee for more than seven days.

(2) A retailer's license will be suspended or revoked or otherwise sanctioned under 16-4-406, MCA, if credible evidence demonstrates that the retail licensee accepted credit extended by a brewer or a beer wholesaler for more than seven days for the purchase of beer.

(3) The first day of the seven-day credit period begins at 8:00 a.m. on the day after the delivery.

(4) Criteria which demonstrates credit has been extended are:

(a) wholesaler delivered product to retailer;

(b) retailer or wholesaler does not have documentation of payment;

(c) wholesaler has been without payment for more than seven days; and

(d) wholesaler does not have documentation of efforts to collect payment; or

(e) (a), (b), (c), and the wholesaler has no documentation to show further product delivery was terminated.

(5) Criteria which demonstrates credit has been accepted are:

(a) wholesaler delivered product to retailer;

(b) retailer or wholesaler does not have documentation of payment;

(c) wholesaler has been without payment for more than seven days; and

(d) product has not been returned by retailer.

(6) When a license is sold and a debt to a beer and wine wholesaler remains unpaid, the debt becomes the obligation of the new owner of the license. Based on the seven-day credit limitation, the wholesaler may not sell to the new licensee until the previous debt is paid in full.

42.13.111 DEFINITIONS The following definitions apply to this subchapter:

(1) “Building” means an enclosed structure with external walls and a roof. A series of structures linked together, such as a commercial mall, structures contained on a city block or structures connected by skyways, are not considered one building for licensing purposes.

(2) “Coupons” are certificates or tickets entitling the holder to a specified right, as redemption for cash or gifts or reduced purchase price.

(3) “Industry member” is any person engaged in business as a manufacturer, importer, or wholesaler of distilled spirits, wine, or malt beverages.

(4) “Mitigating circumstances” means a justification or excuse for a violation of the code, but which, in fairness, may be considered as extenuating enough to reduce the penalty imposed for the purpose of ARM 42.13.101.

(5) “Portable satellite vehicle” or “other movable satellite device” as used in 16-3-302, MCA, may include:

(a) self-propelled wheeled vehicles such as golf carts, concession vans or similar conveyances containing beverage dispensing and storage equipment; or

(b) wheeled devices such as concession wagons or vendors carts and other similar vehicles which may be towed, pushed or transported to a temporary site and which contains beverage dispensing and storage equipment; and

(c) fixed booths or stands in which portable beverage dispensing and storage equipment may be temporarily installed and removed after use.

(6) “Posted price” as it applies to liquor and fortified wine, means the wholesale price of liquor and fortified wine for sale to persons who hold liquor licenses as fixed and determined by the department.

(7) “Premises” means one building or a specific portion or portions of one building as described on the floor plan, identified by a unique address and approved by the department. The premises shall contain all service areas used by the licensee and the licensee’s patrons and those service areas in which the licensee operates outside of and attached to the licensed building and to which patrons are permitted free access from the building.

(8) “Service area” means the area in which the preparation, sale, service or consumption of alcoholic beverages occurs, except as provided in 16-3-105, MCA.

42.13.201 LABELING REQUIREMENTS (1) No licensee shall sell, offer for sale, or deliver any liquor (distilled spirits, wine, or malt beverages) unless the containers thereof are marked, branded, or labeled in conformity with this rule and ARM 42.13.221.

(2) Alcohol content by weight must be noted on the labels of all malt beverages sold or manufactured in Montana, except this rule

shall not apply to beer that contains not more than 7% alcohol by weight.

42.13.202 DRAUGHT BEER AND WINE TAPS (1) All taps or other devices used in the withdrawal of draught beer or wine from kegs for consumption on the premises of any retail licensee shall bear a prominent, easily readable label identifying the brand of beer or wine being served.

42.13.210 CONSUMER PROMOTIONS (1) Industry members authorized to do business in the state are allowed to offer coupons and direct offerings as set forth in regulation number 6.96 of the Tobacco Tax and Trade Bureau (TTB), United States Department of the Treasury as set forth in 27 CFR, as revised on April 1, 2005, and incorporated by reference as fully set forth as the regulations for consumer promotions. Copies may be obtained at the United States web site located at www.ttb.gov/Regulations.

(2) Industry members may furnish to consumers coupons which are redeemable at a retail establishment as follows:

(a) all retailers within the market where the coupon offer is made may redeem such coupons; and

(b) an industry member does not reimburse a retailer for more than the face value of all coupons redeemed, plus a normal and customary handling fee for the redemption of coupons.

(3) Contest prizes, sweepstakes, refunds, premium offers, internet promotions, and like items may be offered by industry members directly to consumers. Officers, employees, and representatives of wholesalers or retailers are excluded from participation in these direct offerings.

(4) Conditions that must be met for all types of promotions include but are not limited to:

(a) the company offering the promotion must be a registered industry member authorized to do business in the state of Montana;

(b) alcohol may not be awarded as a prize or given away to participants;

(c) participants must be 21 years of age or older;

(d) no purchase is necessary to participate in a sweepstakes or contest; and

(e) all promotions must be approved by department personnel prior to the onset of the promotion.

42.13.211 PERMISSIBLE ADVERTISING (1) No licensee shall publish or cause to be published or disseminate or cause to be disseminated any advertisement of liquor (distilled spirits, wine, or malt beverages) unless such advertisement conforms with ARM 42.13.221.

42.13.221 ADOPTION OF CERTAIN FEDERAL

REGULATIONS (1) The United States Department of Treasury, Alcohol and Tobacco Tax and Trade Bureau regulations 1, 4, 5, 6, and 7, as set forth in 27 CFR, as revised April 1, 2006, available from the U.S. Government Printing Office, Washington, DC 20402-0001, are adopted by reference. These regulations apply to basic permit requirements, tied-house restrictions, labeling,

sampling, and advertising of liquor (distilled spirits, wine, and malt beverages) sold within this state except where the provisions of these federal regulations may be contrary to or inconsistent with the provisions of Montana law or rules of the department.

42.13.222 BEER WHOLESALER AND TABLE WINE DISTRIBUTOR RECORDKEEPING REQUIREMENTS (1)

Beer wholesalers and table wine distributors shall keep and maintain records at their place of business of all beer or table wine furnished or sold to retailers. These records must contain the following information:

- (a) name and address of retailer;
 - (b) item that was sold or furnished;
 - (c) date item was sold or furnished;
 - (d) date item was delivered;
 - (e) cost of item sold;
 - (f) date wholesaler or distributor received retailer's payment; and
 - (g) from which warehouse or subwarehouse the item was delivered.
- (2) Commercial records or invoices may be used if they contain the information listed in (1)(a) through (g).
- (3) Beer wholesalers shall keep and maintain records at their place of business of visits to retailers within their assigned territory, as specified under Title 16, MCA, for department inspection.
- (4) A beer wholesaler or a table wine distributor may use a common carrier to deliver beer or wine to a retail license in limited quantities. The department may inspect the books and records of the common carrier regarding the conveyance of alcoholic beverages within the state.
- (a) Quantity is limited to three cases a day for each licensed retailer.

42.13.301 STORAGE OF ALCOHOLIC BEVERAGES (1) A licensee may store alcoholic beverages only on the licensee's licensed premises.

(2) Only those alcoholic beverages for which the premises are specifically licensed may be received, accepted, or stored. All alcoholic beverages must be purchased through an agency liquor store, or through a licensed wholesaler, domestic winery, or domestic brewery.

42.13.304 STORAGE RESULTING IN TREATMENT AS BEER WHOLE-SALER OR TABLE WINE DISTRIBUTOR (1)

A license will be required for a fixed place of business operating as a wholesaler or distributor when:

- (a) beer or table wine is held in storage for wholesaling; or
- (b) jobbing quantities, at such place of business, include filling orders and making deliveries.

(2) The person in charge will be required to have a license, except in the case of a brewer's storage depot as provided in 16-3-230, MCA.

42.13.305 EXCHANGE OR RETURN OF BEER OR TABLE WINE PRODUCT (1)

A beer wholesaler or a table wine distributor may exchange or accept return of product if the reason constitutes an ordinary and usual commercial reason such as:

- (a) defective product;
- (b) error in delivery;
- (c) product unlawful to sell;
- (d) termination of retail business or wholesale franchise;
- (e) change in product;
- (f) discontinued product; or
- (g) seasonal business.

(2) A commercial reason not considered ordinary and usual would be:

- (a) overstocked product;
- (b) slow moving product; or
- (c) seasonal product.

42.13.401 IMPORTATION OF WINE (1) Each winery or importer desiring to ship table wines to licensed distributors within the state must submit an application for registration to the department as specified in 16-4-107, MCA. Each application must be accompanied by a registration fee applicable in (2) and a copy of each product label the winery or importer intends to ship into the state. Approval will be granted by the department annually on or before October 1. The department must be notified in writing of any changes, additions, or deletions in product line prior to distribution in Montana.

(2) The registration fee shall be as follows:

- (a) 0-60 cases no charge
- (b) 61-500 cases = \$25
- (c) 501-1000 cases = \$50
- (d) 1001-1500 cases = \$100
- (e) 1501-2000 cases = \$200
- (f) 2001 + cases = \$400

(3) Any winery or importer failing to renew or failing to file copies of its agreements of distributorship pursuant to 16-3-402, MCA, will be subject to cancellation or suspension as provided in 16-4-107, MCA.

42.13.402 WINE DISTRIBUTOR'S MONTHLY REPORTS

(1) Each table wine distributor shall file with the department a table wine distributor's monthly tax report (Form AA-50), as required by 16-3-404, MCA, showing the number of liters sold during the previous month. The form must be filed whether or not the distributor has sold any wine during a month. The form may be obtained from the Department of Revenue, P.O. Box 5805, Helena, Montana 59604-5805.

(2) The form must be accompanied by payment of the tax due pursuant to 16-1-411, MCA.

(3) Failure to file the form or pay the table wine tax is sufficient cause for the assessment of penalties and interest in accordance with 15-1-216 and 16-1-411, MCA, and other penalties provided in 16-4-406, MCA.

42.13.601 SMALL BREWERY RESTRICTIONS (1) Product samples may only be provided in the sample room as shown on the floor plan which has been submitted and approved by the department.

- (2) A small brewery is not a retail beer licensee as defined in 16-4-105, MCA.
- (3) A sample room may include a deck or patio, as long as the deck or patio is immediately adjacent to the brewery sample room and can only be accessed from the sample room. The deck or patio must be enclosed in such a manner as to restrict its access and view from the general public on the street or sidewalk.
- (4) Product samples for on-premises consumption may not be sold, offered for sale, or given away before 10 a.m. or after 8 p.m.
- (5) On-premises consumption and possession shall not be permitted before 10 a.m. or after 9 p.m. The brewery shall be responsible for removing all product samples from patrons' possession in order to comply with this provision.
- (6) A small brewery may sell growlers. A growler is any refillable, resealable container that a brewer fills on the brewery premises for off-premises consumption.

42.13.702 BEER REPORTING REQUIREMENTS (1) Each brewery located outside of Montana shall file with the department monthly reports, provided by the department, with the following information:

- (a) A brewery that sells beer directly to a retailer located in Montana must pay the tax due, pursuant to 16-1-406, MCA, on or before the 15th of each month for beer sold in the previous month and complete Montana Form BET;
- (b) A brewery that sells beer directly to a retailer shall report on or before the 15th of each month the amount of beer sold directly to retailers in the previous month on Form BET-3; or
- (c) Each retailer that purchases beer from an out-of-state brewery shall report the amount of beer purchased on Form BET-2.

(2) Each brewery located in Montana selling directly to consumers or retailers must pay tax for beer sold in the previous month pursuant to 16-1-406, MCA, and complete Montana Form BET.

FEDERAL ALCOHOL ADMINISTRATION ACT – TITLE 27

27 CFR § 6.91 Samples. The act by an industry member of furnishing or giving a sample of distilled spirits, wine or malt beverages to a retailer who has not purchased the brand from the industry member within the last 12 months does not constitute a means to induce within the meaning of section 105(b)(3) of the Act. For each retail establishment the industry member may give not more than 3 gallons of any brand of malt beverage, not more than 3 liters of any brand of wine, and not more than 3 liters of distilled spirits. If a particular product is not available in a size within the quantity limitations of this section, an industry member may furnish to a retailer the next larger size.

Subpart C – Labeling Requirements for Malt Beverages

27 CFR § 7.26 Alcoholic content

(a) The alcoholic content and the percentage and quantity of the original extract shall not be stated unless required by State law. When alcoholic content is required to be stated, but the manner of statement is not specified in the State law, it shall be stated in percentage of alcohol by weight or by volume, and not by proof or by maximums or minimums. Otherwise the manner of statement shall be as specified in the State law.

(b) The terms “low alcohol” or “reduced alcohol” may be used only on malt beverage products containing less than 2.5 percent alcohol by volume.

(c) The term “non-alcoholic” may be used on malt beverage products, provided the statement “contains less than 0.5 percent (or .5%) alcohol by volume” appears in direct conjunction with it, in readily legible printing and on a completely contrasting background.

(d) The term “alcohol-free” may be used only on malt beverage products containing no alcohol.

Subpart C - Unlawful Sales Arrangements

27 CFR § 11.21 General. It is unlawful for an industry member to sell, offer for sale, or contract to sell to any trade buyer, or for any such trade buyer to purchase, offer to purchase, or contract to purchase any products

(a) on consignment; or

(b) under conditional sale; or

(c) with the privilege of return; or

(d) on any basis other than a bona fide sale; or

(e) if any part of the sale involves, directly or indirectly, the acquisition by such person of other products from the trade buyer or the agreement to acquire other products from the trade buyer.

Transactions involving the bona fide return of products for ordinary and usual commercial reasons arising after the product has been sold are not prohibited.

27 CFR § 11.22 Consignment sales. Consignment sales are arrangements wherein the trade buyer is under no obligation to pay for distilled spirits, wine, or malt beverages until they are sold by the trade buyer.

27 CFR § 11.23 Sales conditioned on the acquisition of other products.

(a) General. A sale in which any part of the sale involves, directly or indirectly, the acquisition by the industry member from the trade buyer, or the agreement, as a condition to present or future sales, to accept other products from the trade buyer is prohibited.

(b) Exchange. The exchange of one product for another is prohibited as a sales transaction conditioned on the acquisition of other products. However, the exchange of a product for equal quantities (case for case) of the same type and brand of product, in containers of another size is not considered an acquisition of “other” products and is not prohibited if there was no direct or implied privilege of return extended when the product was originally sold. Industry members may make price adjustments on products eligible for exchange under this paragraph.

27 CFR § 11.31 General.

(a) Section 5(d) of the Act provides, in part, that it is unlawful to sell, offer to sell, or contract to sell products with the privilege of return for any reason, other than those considered to be “ordinary and usual commercial reasons” arising after the product has been sold. Sections 11.32 through 11.39 specify what are considered “ordinary and usual commercial reasons” for the return of products, and outline the conditions and limitations for such returns.

(b) An industry member is under no obligation to accept the return of products for the reasons listed in Sec. Sec. 11.32 through 11.39.

Exchanges and Returns for Ordinary and Usual Commercial Reasons

27 CFR § 11.32 Defective products. Products which are unmarketable because of product deterioration, leaking containers, damaged labels or missing or mutilated tamper evident closures may be exchanged for an equal quantity of identical products or may be returned for cash or credit against outstanding indebtedness.

27 CFR § 11.33 Error in products delivered. Any discrepancy between products ordered and products delivered may be corrected, within a reasonable period after delivery, by exchange of the products delivered for those which were ordered, or by a return for cash or credit against outstanding indebtedness.

27 CFR § 11.34 Products which may no longer be lawfully sold. Products which may no longer be lawfully sold may be returned for cash or credit against outstanding indebtedness. This would include situations where, due to a change in regulation or administrative procedure over which the trade buyer or an affiliate of the trade buyer has no control, a particular size or brand is no longer permitted to be sold.

27 CFR § 11.35 Termination of business. Products on hand at the time a trade buyer terminates operations may be returned for cash or credit against outstanding indebtedness. This does not include a temporary seasonal shutdown (see Sec. 11.39).

27 CFR § 11.36 Termination of franchise. When an industry member has sold products for cash or credit to one of its wholesalers and the distributorship arrangement is subsequently terminated, stocks of the product on hand may be returned for cash or credit against outstanding indebtedness.

27 CFR § 11.37 Change in product. A trade buyer's inventory of a product which has been changed in formula, proof, label or container (subject to Sec. 11.46) may be exchanged for equal quantities of the new version of that product.

27 CFR § 11.38 Discontinued products. When a producer or importer discontinues the production or importation of a product, a trade buyer's inventory of that product may be returned for cash or credit against outstanding indebtedness.

27 CFR § 11.39 Seasonal dealers. Industry members may accept the return of products from retail dealers who are only open a portion of the year, if the products are likely to spoil during the off season. These returns will be for cash or for credit against outstanding indebtedness.

Exchanges and Returns for Reasons Not Considered Ordinary and Usual

27 CFR § 11.45 Overstocked and slow-moving products. The return or exchange of a product because it is overstocked or slow-moving does not constitute a return for "ordinary and usual commercial reasons".

27 CFR § 11.46 Seasonal products. The return or exchange of products for which there is only a limited or seasonal demand, such as holiday decanters and certain distinctive bottles, does not constitute a return for "ordinary and usual commercial reasons".