

HOUSE BILL NO. 649

INTRODUCED BY D. HARVEY

A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE ALCOHOL ADVISORY COUNCIL; PROVIDING FOR COUNCIL MEMBERSHIP AND APPOINTMENT; PROVIDING FOR COUNCIL DUTIES; PROVIDING FOR COUNCIL ADMINISTRATION; PROVIDING AN APPROPRIATION; AND PROVIDING AN EFFECTIVE DATE."

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

**NEW SECTION. Section 1. Alcohol advisory council.** (1) There is an alcohol advisory council.

(2) The council is allocated to the department for administrative purposes only as prescribed in 2-15-121.

(3) (a) The council consists of 14 members as follows:

(i) two members from the senate;

(ii) two members from the house of representatives;

(iii) two members who hold all-beverages licenses;

(iv) one member who holds an off-premises retailer license;

(v) one member who holds a wholesale or distributor license;

(vi) one member who holds an agency liquor store license;

(vii) one member who holds a brewery license and the licensed brewery qualifies as a small brewery as defined in 16-3-213;

(viii) one member who holds a distillery license and the licensed distillery qualifies as a microdistillery as defined in 16-4-310;

(ix) one member who holds a winery license and the winery is located in Montana as provided in 16-4-107;

(x) one member who holds a beer and wine or restaurant beer and wine license; and

(xi) one member who is a nonvoting representative of the department.

(b) One senate member must be appointed by the president of the senate and one member by the senate minority leader. One house member must be appointed by the speaker of the house and one member by the house minority leader. The remaining members must be appointed by the governor and must be stakeholders in the alcohol industry in the state in addition to the composition requirements in subsection (3)(a).

1 (4) Each council member is appointed to a 3-year term of office. A member of the council may be  
2 removed for good cause by the appointing body provided for in subsection (3).

3 (5) The council shall appoint a presiding officer from its members at its first meeting and every 3 years  
4 thereafter.

5 (6) Members of the council are entitled to travel, meals, and lodging expenses as provided for in  
6 2-18-501 through 2-18-503. A member who is not a full-time salaried officer or employee of the state or of a  
7 political subdivision of the state is also entitled to be paid \$25 for each day during which the member is actually  
8 and necessarily engaged in the performance of council duties. Expenses of the council must be paid from  
9 licensing fees received by the department.

10 (7) The council shall, within its authorized budget, hold meetings at least semiannually and incur  
11 expenses as it considers necessary to study all aspects of alcohol in the state, including but not limited to aspects  
12 of alcohol involving industries or areas not represented by the specific membership of council members.

13 (8) (a) The a council shall submit a biennial report to the department, at a time designated by the  
14 department, with recommendations for amendments to the alcohol statutes, the need for additional or modified  
15 department rules, the clarification of existing rules, and other recommendations on the operation of the  
16 department or any other alcohol-related matter. The department shall present the report to the economic affairs  
17 interim committee. If the council votes to recommend amendments to the alcohol statutes through proposed  
18 legislation, it must have eight votes to proceed.

19 (b) The biennial report required under subsection (8)(a) must be affixed to the department's biennial  
20 report on alcohol in the state.

21 (c) The council may submit interim reports to the department as the council considers necessary.

22 (d) The council shall meet with the department upon request of the department. The department shall  
23 provide the council with all information requested.

24 (e) The department shall meet with the council upon request of the council.

25 (9) The department shall give each council member notice and a copy of each proposed change in  
26 administrative rules relating to alcohol. The notice and copy must be given at the time a notice of proposed rule  
27 change is filed with the secretary of state. The council shall review the proposal, may comment on it, and may  
28 attend any hearing on the proposal. The department shall consider any comment by any council member or by  
29 the council as a whole prior to adopting the proposed change.

30 (10) For purposes of this section:

1 (a) "council" means the alcohol advisory council; and

2 (b) "department" means the division of the department of revenue that administers the Montana Alcoholic  
3 Beverage Code.

4  
5 **NEW SECTION. Section 2. Appropriation.** There is appropriated \$25,000 from the general fund to the  
6 department of revenue for fiscal years 2020 and 2021 for the purposes of administering [section 1].

7  
8 **NEW SECTION. Section 3. Transition.** The alcohol advisory council created in [section 1] must be  
9 appointed as provided in [section 1(3)] and hold its first meeting no later than January 1, 2020.

10  
11 **NEW SECTION. Section 4. Codification instruction.** [Section 1] is intended to be codified as an  
12 integral part of Title 2, chapter 15, part 13, and the provisions of Title 2, chapter 15, part 13, apply to [section 1].

13

14 **NEW SECTION. Section 5. Effective date.** [This act] is effective July 1, 2019.

15

- END -