

1 HOUSE BILL NO. 455  
2 INTRODUCED BY B. MITCHELL, C. KNUDSEN, K. ZOLNIKOV, R. MARSHALL, E. BUTTREY, C. HINKLE, M.  
3 HOPKINS, T. BROCKMAN, J. SMALL, S. MORIGEAU, K. BOGNER, T. SMITH  
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5 A BILL FOR AN ACT ENTITLED: "AN ACT REMOVING THE DEPARTMENT OF REVENUE'S PROHIBITION  
6 ON APPROVING GELATIN CUP ALCOHOLIC BEVERAGE PRODUCTS; ~~AND~~ AMENDING SECTION 16-1-  
7 303, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."  
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9 WHEREAS, ARM 42.11.402 and 42.13.201 specifically prohibit the approval of gelatin cup alcoholic  
10 products for use in Montana and the amendment to section 16-1-303, MCA, seeks to have the department  
11 remove that prohibition.  
12

13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
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15 **Section 1.** Section 16-1-303, MCA, is amended to read:

16 **"16-1-303. Department rules.** (1) The department and the department of justice may make rules not  
17 inconsistent with this code necessary to efficiently administer this code.

18 (2) Rules made by the department may include but are not limited to the following:

19 (a) regulating the contractual operation of agency liquor stores and warehouses in which liquor is  
20 kept or sold and prescribing the books and records to be kept;

21 (b) prescribing the duties of department employees and regulating their conduct while in the  
22 discharge of their duties;

23 (c) governing the purchase of liquor and the furnishing of liquor to agency liquor stores;

24 (d) determining the classes, varieties, and brands of liquor to be available for distribution from the  
25 state liquor warehouse, however, the department may not prohibit gelatin cup alcoholic beverage products that  
26 are liquid at room temperature from distribution from the state liquor warehouse LIQUOR THAT IS SOLD IN GELATIN  
27 CUPS THAT ARE SHELF STABLE AND LIQUID AT ROOM TEMPERATURE AND MAY NOT PROHIBIT THE DISTRIBUTION OF BEER

**Amendment - 1st Reading/2nd House-blue - Requested by: Forrest Mandeville - (S) Local Government**

- 2023

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Drafter: Toni Henneman, 406-444-3593

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1 where the sale of liquor has been proposed.

2 (4) Whenever this code provides that an act may be done if authorized by rules, the department,  
3 subject to the restrictions in subsection (1), may make rules respecting the act.

4 (5) The department shall use the negotiated rulemaking procedures contained in Title 2, chapter 5,  
5 for the purpose of adoption of rules related to the operation of agency liquor stores. However, the department  
6 may not be required to pay any expenses of the participants or of any persons engaged in the rulemaking  
7 process as provided for in 2-5-110."

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9 ~~**NEW SECTION. Section 2. Transition.** The department of revenue is directed to remove references  
10 and prohibitions relating to gelatin cup alcoholic beverage products in ARM 42.11.402 and 42.13.201.~~

11  
12 **NEW SECTION. Section 2. Effective date.** [This act] is effective on passage and approval.

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