

Light Reform – Immediate Family – Expanding What is Currently Allowed

Currently in Montana, between a quarter and a third of breweries operate with some type of “closely held license” arrangement; where a manufacturing license is paired up with a retail license and operated in a way, that appears to consumers as though there is a single business operating, when in fact there are two separate businesses operating (one being a manufacturing brewery and the other being a retail licensee). My understanding is that a couple distilleries do this also. In these arrangements, the back of the house is a licensed manufacturing facility and the front of the house is a licensed on-premise retailer; a complicated ownership structure is needed to utilize this business model.

Currently “immediate family” cannot operate in two different tiers of the three-tier system in Montana, however less-immediate family can. For example: you can own a brewery and your mother or adult child can own a retail License.

I propose that we discuss whether it would be a good idea for Montana to allow more-immediate family to do what we are already allowing less-immediate family to do. We can change the law to allow individuals in a **married couple** to operate in different tiers of the three-tier system.

These types of arrangements are already happening in Montana and have for quite some time, I provide a list of breweries doing complicated variations of this model in Montana now. This proposal will make this less difficult for people that would like to operate this way; and open the door for some others to operate under this business model.

Proposed by John Iverson