



Revenue and Transportation Interim Committee

62nd Montana Legislature

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TO: Committee Members
FROM: Jaret Coles, Staff Attorney
RE: Administrative Rule Activity
DATE: July 9, 2012

Department of Revenue

All notices are available on the Internet at:

http://revenue.mt.gov/formsandresources/administrative_rules/default.mcp

Notice of Proposed Rules:

Liquor License Application General Regulation and Premises Suitability Requirements. MAR 42-2-876. A public hearing was held on June 4, 2012. The public comment period ended on June 15, 2012. The Department proposes to adopt 8 rules and amend 19 rules. The proposed new rules and amendments generally pertain to premises requirements for each license type and the respective privileges. Additionally, the rules implement legislation from 2011, 2009, and 2007.

The rules address changes made by the 2011 Legislature with the passage of Senate Bill No. 203 (amending section 16-3-303, MCA), which allows for beer containers known as growlers to be sold for off-premises consumption by additional license types beyond the manufacturer. The rules further address changes made by the 2009 Legislature with enactment of Senate Bill No. 511 (section 16-4-313, MCA), which established a sacramental wine license for the retail sale of sacramental wine for religious purposes. Finally, the rules address statutory amendments made by the 2007 Legislature with the passage of House Bill No. 113 (amending section 16-4-401, MCA), which requires anyone with ownership interest of 10 % or more in an alcoholic beverages license to first apply and qualify for the license.

Comments: Pursuant to section 16-1-101, MCA, the Montana Alcoholic Beverage Code (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". The overall purpose of the Code is to "promote temperance, create orderly markets, and aid in the collection of taxes", and the provisions "must be broadly construed to accomplish these purposes." As such, the rule review was conducted using these principles while giving great deference to express provisions of the Code. The Department is further refining the rules to address staff concerns that were raised during the rule review process.

Notice of Adopted Rules:

Disposition of Abandoned Property. MAR 42-2-877. Amended seven rules on May 11, 2012. A public hearing was held on April 17, 2012; no one appeared and no written comments were received. The amendments correct outdated language, allow claims of less than \$50 in value, and move language from other rules into one consolidated rule to provide guidance to finders of abandoned property.

Property Tax -- Senate Bill 265 -- Property Tax Abatement for Certain Residential and Multiple Dwelling Gray Water Systems. MAR 42-2-878. Adopted one rule on May 11, 2012. A public hearing was held on April 16, 2012; no one appeared and no written comments were received. The rule implements Senate Bill No. 265 (2011) by providing application filing requirements and associated deadlines in order to receive property tax abatements. SB 265 generally provides for abatements of 9% of taxable market value for a period of up to 10 years following the date of completion of certain gray water systems.

Liquor Administration and Enforcement -- Alcohol Server Training Compliance. MAR 42-2-880. Amended two rules on July 7, 2012; no public comments were received. The amendments changed the term "minor" to "an underage person" and clarified the fine amount for a third offense server training certificate violation.

Department of Transportation

Notice of Proposed Rules:

None as of July 5, 2012.

Notice of Adopted Rules:

None as of July 5, 2012.

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