

THE ON-PREMISES BEER LICENSE



What is it?
How do I get one?
What can I do with it?



Liquor Control Division

WHAT IS AN ON-PREMISES BEER LICENSE?

An On-Premises Beer license allows the holder of the license (the licensee) to sell beer at retail for on- or off-premises consumption between the hours of 8 a.m. and 2 a.m. Licensees may add a wine amendment, allowing them to also sell wine.

An On-Premises Beer licensee can request from the Department of Revenue a catering endorsement that allows the licensee to provide beer and table wine (if a wine amendment has been issued) at a special event within 100 miles of the licensed premises

WHERE DO I START?

The Department of Revenue issues a limited number of On-Premises Beer licenses. The number is limited according to the population of the city or town in which the licenses operate. To see if any On-Premises Beer licenses are available in the town or city you'd like to operate the license, contact the Department of Revenue toll free at (866) 859-2254 or in Helena at (406) 444-6900.

If a new license is available, you may begin the application process. If a new license is not available, you may be able to purchase a pre-existing license. Check with a local real estate agent or the Montana Tavern Association for a listing of licenses for sale.

WHAT ARE THE ASSOCIATED COSTS?

- Liquor Control processing fee: \$200
- License fee: \$200
- Catering endorsement fee (if applicable): \$200
- Wine amendment (if applicable): \$200
- Fingerprint card fee for each individual with 10% or more interest in the business: cost subject to fluctuation.



HOW DO I APPLY?

To apply for a new or existing license, you'll need to provide the department with the following:

1. A completed Alcoholic Beverage/Gambling Operator Combined License application, including:

- A personal history statement
- A completed liquor authorization to disclose tax information form
- A certified survey affidavit

- Personal history statement form from each manager
- Two fingerprint cards from each manager
- Fingerprint card fee for each manager

5. Miscellaneous information, including:

- An Authorization to Disclose Tax Information form to verify that all involved parties are up-to-date with their tax filings and payments
- A floor plan showing any areas where you intend to serve or store alcohol. The floor plan should show seating areas, external dimensions, entry ways and any patio area.
- A certified survey identifying the exact location, including address and quota area (city or county), of the premises. The survey may be completed by a licensed surveyor.
- Food menu (for wine amendments only)

Mail all documents to:
 Department of Justice, Gambling Control Division
 2550 Prospect Ave
 P.O. Box 201424
 Helena, MT 59620

WHAT ARE THE STEPS IN THE APPLICATION PROCESS?

The application process takes between 90 and 120 days and begins when the Gambling Control Division (GCD) receives a complete application package and all supporting documents. The process follows state statutes, as written in Montana Code Annotated.

- Application is reviewed by the Department of Revenue, Liquor Control Division (LCD).
- GCD sends a letter to the applicant requesting any additional documents it might need.
- After GCD receives all documents it requires, LCD then publishes a legal notice in a newspaper circulated in the city, town or county in which the license would be issued. The notice informs readers of the applicant's intent to acquire a license. The notice also tells readers where they can send any objections they might have to LCD approving the license and the deadline for doing so.



- LCD notifies local agencies with jurisdiction over the area (e.g. law enforcement, fire department, health department, etc.) of any deficiencies in the application.
- After the protest deadline and the completion of the audit review, LCD and GCD conduct a final review of the application. If necessary, LCD and GCD request from the applicant any additional documents that the audit review might have identified as needed.

- If one or more people filed a protest, LCD schedules a hearing with the applicant and protestor(s). The application process is discontinued until the hearing examiner makes a ruling on the application.
- Once the hearing examiner makes a ruling and/or LCD has received all additional documents it has requested from the applicant, LCD promptly issues a final decision.

WHAT ARE THE RULES OF AN ON-PREMISES BEER LICENSE?

State rule, as written in Administrative Rules of Montana (42.13.101):

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: provisions of the laws of Montana and the United States related to alcoholic beverages; county and city or town ordinances related to alcoholic beverages; 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 rules of the department relating to alcoholic beverages.

Sales and service

- All employees serving open-container alcoholic beverages must be 18 years or older.
- All employees who serve or sell alcohol, including their immediate supervisors and the licensee, must obtain training from a state-approved

program within 60 days of hire and every three years thereafter. You can find a list of approved training providers online at revenue.mt.gov/home/liquor/liquor_education.



- No sales or service of any alcoholic beverage can take place through a drive-up or walk-up window.
- Though you may provide free alcoholic beverages, you are still required to follow all laws and rules relating to the sale and consumption of alcohol on your licensed premises.
- You may serve alcohol on your patio or deck if it was specifically designated on the floor plan you submitted with your application, if it has a perimeter barrier and if it is immediately adjacent to the indoor portion of the licensed premises. A perimeter barrier must enclose the licensed premises in a way that clearly marks for patrons and employees where consumption of alcohol is allowed. A perimeter barrier needs to be a fence or wall at least three feet high or an alternative, department-approved barrier. A perimeter

barrier may include entrances from the parking lot, sidewalk or other areas outside the licensed premises, regardless of whether those areas are land or water.

- You may serve alcohol on your premises lawn if the lawn was designated on the floor plan you submitted with your application, if it is immediately adjacent to the indoor portion of the licensed premises and if it is enclosed within a perimeter barrier.

Concessions

You may decide to let someone operate a restaurant out of a portion of your building and sell alcohol in the restaurant. This type of arrangement is called a concession agreement, which is a mutually beneficial agreement between a retail licensee and a non-licensed entity. The agreement must be submitted to the department for review and approval.

Consumption

- Patrons may consume alcohol in a “smoking hut” if the hut is part of the approved premises on file with the department. You need to be aware of local laws regarding open containers, which can change from one county or city to another.
- No one, including the licensee or employees, may consume or sell any alcohol on the licensed premises between 2 a.m. and 8 a.m.
- Only licensees and their employees are permitted to be on the licensed premises between the hours of 2 a.m. and 8 a.m. If the establishment operates in conjunction with a hotel, restaurant, bus depot, railway terminal, grocery store, pharmacy or other lawful business that doesn't sell

alcoholic beverages, the other business can remain open.



Alcohol on the licensed premises

- Patrons cannot bring their own alcoholic beverages onto the licensed premises.
- The only alcoholic products you can have on your licensed premises are those you have purchased from a beer wholesaler, table wine distributor, brewery, winery or agency liquor store.
- If you have more than one licensed premises, you may not split product between locations.

Alterations

If you decide to remodel or otherwise alter your establishment, to keep your premises licensed you will need to send to the department a written request explaining the alterations and include a copy of the existing floor plan and a proposed floor plan showing the alterations.

Once the department reviews and approves the request, you may begin the alteration without it affecting your license.

If you decide to add a poker room to your licensed premises, you will need to follow the rules for altering your premises and ensure that you or your employees directly handle all the sales and service of alcohol in the poker room.

You will also need to contact the Department of Justice for operating guidelines of a poker room.



Seasonal business

If a licensed establishment—such as a dude ranch, resort, park hotel, tourist facility or similar business—would like to begin operating its license on a seasonal basis, it will need to send a written request for doing so to the department. If approved, the license closure is only effective from the date of the department's letter of authorization through the end of the specified period.

Miscellaneous

Allowing bar tabs is the prerogative of the licensee.

A licensed establishment may not lock its doors early to start cleaning up if there are still customers inside the premises.

You may not cook with distilled spirits, since you can only receive, accept or store those alcoholic beverages for which your establishment is specifically licensed.



Department of Revenue

Liquor Control Division
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Helena, MT 59624

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