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Brew on Premises License.dotm

\*\*\* Bill No. \*\*\*

Introduced By \*\*\*\*\*

By Request of the (Agency or Department)

A Bill for an Act entitled: "An Act Creating A Brew On-Premises License For Persons Who Provide Brewing Supplies And Facilities To The Public; Requiring A Person Permitting The Use Of Facilities For Private Manufacture Of Beer And Malt Beverages To Hold A Permit And Pay An Annual License Fee; Prohibiting Physical Assistance Of Brewing By The Licensee And Defining Physical Assistance; Providing Rulemaking Authority; and providing an effective date."

Be it enacted by the Legislature of the State of Montana:

NEW SECTION. **Section 1. Brew On-Premises License.** (1)

Upon receipt of an application, the department may issue a brew on-premises license to a person who provides brewing supplies and facilities to the members of the public for the private manufacture of beer and malt beverages on the licensed premises.

(2) No person may permit the use of their property for any consideration or remuneration for the production of

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beer or malt beverages for personal consumption unless such person has been issued a brew on-premises license by the department.

(3) The brew on-premises license does not authorize the sale of beer and malt beverages in any manner or the consumption of alcoholic beverages on the premises.

(4) The premises may be considered suitable for operating a brew on-premises license if it meets the standards of the department of health and human services, building codes bureau, and the fire prevention and investigation bureau.

(5) An application for a license under this section must be accompanied by an initial license fee of \$400. The annual license renewal fee thereafter is \$200.

(6) Any person issued a license pursuant to this section and any person using the premises for personal brewing of beer or malt beverage are subject to federal regulations including, but not limited to, 27 CFR 24.75 and 27 CFR 25.205, and 27 CFR 25.206.

(7) Any person issued a license pursuant to this section shall, in addition to complying with any federal regulations, comply with the following conditions:

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(a) The licensee shall keep records relating to all persons using the premises for the manufacture of any beer or malt beverage. Information in these records must include the name, address, and age of the manufacturing individual, the number of adults residing in the individual's household, and the quantity of beer or malt beverages produced by that individual on the licensed premises during each calendar year.

(b) The records must be available for inspection by an authorized investigator of the department or the department of justice during the business hours of the facility;

(c) The licensee shall not provide physical assistance to individuals in the production of or bottling of beer and malt beverages on-premises, but may provide advice and instruction.

(i) (1) Physical assistance in the production of beer and malt beverages includes:

(A) filling of vessels with brewing ingredients;

(B) mixing of ingredients;

(C) movement of beer and malt beverages from one container to another container; or

(D) filtering and bottling of the final product;

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(ii) The following activities do not constitute providing physical assistance in the production of beer and malt beverages:

(A) cleaning, maintenance, and repair of brewing and bottling equipment;

(B) maintenance of climate and temperature control;

(C) disposal of spent grains and wastes;

(D) quality control (including laboratory examination) of beer and malt beverages; or

(E) preheating of vessels or containers.

(8) An individual using the licensee's premises for personal brewing use is responsible for brewing, handling, or transporting the beer and malt beverages produced, and must be at least twenty-one (21) years of age.

(9) An individual using the licensee's premises for personal brewing may produce beer and malt beverages within the prescribed quantity of limitations prescribed below, may not transport in excess of twenty (20) gallons of beer and malt beverages produced on any particular day, and may not sell beer and malt beverages produced. Beer and malt beverages produced at a brew on-premises facility may be removed only for the personal use of the customer.

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(a) Any beer or malt beverage produced on the premises must not exceed the alcohol by volume limits for beer as beer is defined by Montana law;

(b) The production of beer and malt beverages per household for personal or family use may not exceed:

(i) 200 gallons per calendar year if there are two or more adults persons aged 21 or over residing in the household; or

(ii) 100 gallons per calendar year if there is only one adult person aged 21 or older residing in the household;

(c) Partnerships, corporations, associations, or any entity other than an individual person may not use the brew on-premises facility and may not produce beer or malt beverages for personal use; and

(d) Transportation of brewed beer or malt beverages produced shall be taken away from the premises at the time of bottling. The brew on-premises facility may not allow more than 20 cases to remain on the premises at any given time.

(7) Any violation of the provisions of this section shall be enforced in accordance with any of the appropriate enforcement provisions contained in this title.

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(10) The department may adopt rules consistent with and reasonably necessary to effectuate the purpose of [sections 1 through 9].

NEW SECTION. **Section 2. {standard} Effective date.**

[This act] is effective July 1, 2013.

NEW SECTION. **Section 3. {standard} Codification.**

[Sections 1 through 9] are intended to be codified as an integral part of Title 16, chapter 3, part 2, and the provisions of Title 16, chapter 3, part 2, apply to [sections 1 through 9].

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