

1 HOUSE BILL NO. 177
2 INTRODUCED BY E. BUTTREY

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING ALCOHOL LAWS RELATING TO RESORT AREAS;
5 REVISING LAWS TO PROVIDE A TIMEFRAME IN WHICH RESORT ALL-BEVERAGES LICENSES MUST BE
6 ISSUED IN AN APPROVED RESORT AREA; REVISING LAWS RELATING TO THE ISSUANCE OF RESORT
7 AREA ALL-BEVERAGES LICENSES; PROVIDING DEFINITIONS; REVISING ALCOHOL LAWS RELATING
8 TO THE RESORT AREA DETERMINATION; AMENDING SECTIONS 16-1-102, 16-1-106, 16-4-212, AND 16-
9 4-213, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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13 **Section 1.** Section 16-1-102, MCA, is amended to read:

14 **"16-1-102. Policy as to sale of beer.** It is the policy of the state of Montana that the manufacture,
15 transportation, distribution, sale, and possession of "beer", as that term is defined in this code, must be
16 controlled and regulated as provided under this code. Unless defined as beer in 16-1-106(5)(a)(ii)(6)(a)(ii), beer,
17 porter, ale, stout, and malt liquors containing more than 8.75% alcohol by volume and that are defined as
18 "liquor" are subject to the regulations and controls provided for liquor."
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20 **Section 2.** Section 16-1-106, MCA, is amended to read:

21 **"16-1-106. Definitions.** As used in this code, the following definitions apply:

22 (1) "Accommodation unit" means a unit that is occupied by a short-term guest as a rental. The
23 term includes:

- 24 (a) a single-family home;
- 25 (b) a single unit of an apartment, condominium, or multiplex;
- 26 (c) a single room of a hotel or motel; and
- 27 (d) a similar living space. A space under this subsection (1)(d) must be distinctly separated from
28 other living spaces within the building and have its own sleeping, bath, and toilet facilities.

1 fermentation of the juice of sound, ripe fruit or other agricultural products without addition or abstraction, except
2 as may occur in the usual cellar treatment of clarifying and aging, and that contains more than 0.5% but not
3 more than 24% of alcohol by volume. Wine may be ameliorated to correct natural deficiencies, sweetened, and
4 fortified in accordance with applicable federal regulations and the customs and practices of the industry. Other
5 alcoholic beverages not defined in this subsection but made in the manner of wine and labeled and sold as
6 wine in accordance with federal regulations are also wine."

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8 **Section 3.** Section 16-4-212, MCA, is amended to read:

9 **"16-4-212. Resort area determination.** (1) To obtain a resort area designation, the resort area
10 developer or landowner must submit an application with a plat setting forth the resort area boundaries and
11 designating the ownership of the lands within the resort area. The plat must show the location and general
12 design of the buildings and other improvements existing or to be built in the resort area. A master plan for the
13 development of the resort area may be filed by the resort area developer in satisfaction of this section.

14 (2) (a) In addition to the other requirements of this code, at the time of application, a resort area
15 must:

16 (i) except as provided in subsection (3), not be located within the boundaries of a quota area as
17 described in 16-4-201;

18 (ii) have a current actual valuation of resort or recreational facilities, including land and
19 improvements, of not less than \$1 million, at least half \$500,000 of which valuation must be for a structure or
20 structures within the resort area;

21 (iii) be under the sole ownership or control of one person or entity;

22 (iv) contain a minimum of 50 acres of land; and

23 (v) provide details of the recreational facilities that are or will be on the grounds of the resort that
24 warrant the resort designation being granted. These recreational facilities must be completed prior to licenses
25 being issued in 16-4-213.

26 (b) A resort area's current actual valuation under subsection (2)(a)(ii) may be determined by using
27 an independent appraisal or the department's tax appraisals of the property.

28 (b)(c) For the purposes of this section subsection (2), "control" means land or improvements that are

1 owned or that are held under contract, lease, option, or permit.

2 (3) For the purposes of obtaining a resort area designation under subsection (2), if the resort area
3 is located in a county having a consolidated city-county unit of local government, the resort must be more than
4 5 miles from the historical corporate limits of the city or town that existed immediately before abandonment or
5 consolidation into the consolidated city-county unit of local government.

6 ~~(3)~~(4) Within 15 business days after the application is filed, the department shall schedule a public
7 hearing to be held in the proposed area to determine whether the facility proposed by the resort area developer
8 or landowner is a resort area. At least 30 days prior to the date of the hearing, the department shall publish
9 notice of the hearing in a newspaper published in the county or counties in which the resort area is located,
10 once a week for 4 consecutive weeks. The notice must include a description of the proposed resort area. The
11 resort area developer or landowner shall, at the time of filing an application, pay to the department an amount
12 sufficient to cover the costs of publication.

13 ~~(4)~~(5) A person may present, in person or in writing, a statement to the department at the hearing in
14 opposition to or in support of the application.

15 ~~(5)~~(6) Within 30 days after the hearing, the department shall approve or deny the application. If the
16 application is denied, the applicant may request a review of the decision of the department pursuant to the
17 Montana Administrative Procedure Act.

18 ~~(6)~~(7) Once a resort area has been approved by the department, the boundaries of a resort area may
19 not be changed without a new application.

20 ~~(7)~~(8) (a) Except as provided in subsection ~~(7)(b)~~ (8)(b), an approved resort area designation lapses if
21 no resort all-beverages licenses are issued pursuant to 16-4-213 within 5 years of the department's approval of
22 the resort area.

23 (b) A resort area designation that received department approval prior to January 1, 2024, lapses if
24 no resort all-beverages licenses are issued pursuant to 16-4-213 by January 1, 2029.

25 (c) A developer or landowner of a lapsed resort area may reapply to the department to obtain a
26 new resort area determination."

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28 **Section 4.** Section 16-4-213, MCA, is amended to read: