



DEPARTMENT OF REVENUE

SUPPLEMENTAL NOTICE OF PROPOSED RULEMAKING

MAR NOTICE NO. 2025-292.2

Summary

AMENDED PROPOSAL NOTICE - Updates to Responsible Alcohol Sales and Service Training Program Requirements

Reason for Supplemental Notice

On October 10, 2025, the Department of Revenue (department) published MAR Notice No. 2025-292.1 pertaining to the public hearing on the proposed amendment of the referenced rules in 2025 Montana Administrative Register, Issue Number 19. The department held the required public hearing on November 3, 2025.

Based on the testimony provided at the public hearing and stakeholder and bill sponsor comments regarding the department's implementation of House Bill 211 (2025), the department is amending the proposals and the statements of reasonable necessity under ARM 42.13.901, 42.13.902, 42.13.904, and 42.13.907 to remove third party delivery service training program certification requirements.

The department's proposals under ARM 42.13.905 and 42.13.906 remain unchanged from MAR Notice No. 2025-292.1.

The department will propose training program certification rules for third party delivery licensees to implement Section 11 of HB 211 under a separate, future rulemaking.

No additional public hearing will be held to consider this amended proposal notice. The department is extending the comment period for this rulemaking in accordance with 2-4-305, MCA, as described below.

Comments

Comments to this amended proposal may be submitted using the contact information below. Testimony from the November 3, 2025, public hearing and written comments received before the November 10, 2025 comment deadline do not need to be resubmitted to the department. Comments must be received by Friday, January 30, 2026, at 5:00 p.m.

Accommodations

The agency will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. Requests must be made by Tuesday, January 27, 2026, at 5:00 p.m.

Contact

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General Reasonable Necessity Statement

The department proposes to amend ARM 42.13.901, 42.13.902, 42.13.904, 42.13.905, 42.13.906, and 42.13.907 to update Responsible Alcohol Sales and Service (RASS) curricula requirements which is necessary for the department to implement House Bill 157 (2025) (HB 157) (revise alcohol laws related to responsible server and sales training) and ~~House Bill 211 (2025) (HB 211) (third party delivery service training requirements)~~. Other amendments throughout the rulemaking propose formalizing electronic communication between training providers and the department as a result of stakeholder feedback to the department and the department's transition to, and general preference of, conducting business primarily through electronic means, to the greatest extent practicable.

The department also notes that certain phrasing or drafting style of several rules lacks brevity, necessary subject modifiers, or is grammatically deficient. So several amendments are proposed to improve clarity, grammar, or phrasing of the rules with the goal(s) of simplifying and improving the content, which is a goal of Governor Gianforte's Red Tape Relief Initiative (to lessen or improve administrative regulation), where possible.

While this general statement of reasonable necessity covers the bases for the proposed rule amendments, it is supplemented below to explain rule-specific proposals.

Rulemaking Actions

The department is amending the following rules from the original proposal notice, new matter underlined, deleted matter interlined:

AMEND

42.13.901 DEFINITIONS

The following definitions apply to this subchapter:

- (1) "Acceptable forms of identification" include:
 - (a) any state-issued driver's license or identification card;
 - (b) any Canadian government-issued driver's license or identification card;
 - (c) a passport;
 - (d) any federally-recognized tribal identification card; and
 - (e) any government-issued identification in a digital or physical form.
- (2) "Licensee" means the same as defined in 16-4-1003, MCA. For purposes of implementing 16-4-1002, MCA, and for RASS training compliance, a licensee may be referred to as:
 - (a) an "off-premises licensee" - a person or entity licensed by the department under 16-4-115, MCA, with or without delivery endorsement and operating the licensed business in accordance with ARM 42.13.1105; or
 - (b) an "on-premises licensee" - a person or entity licensed by the department under 16-3-213, 16-4-105, 16-4-201, 16-4-213, 16-4-311, 16-4-401, or 16-4-420, MCA, and operating the licensed business in accordance with ARM 42.13.405, 42.13.601, 42.13.802, 42.13.1102, 42.13.1103, 42.13.1104, or 42.13.1107, as applicable. An on-premises licensee also includes a concessionaire who has entered into a concession agreement with the on-premises licensee, authorized under 16-4-418, MCA, and ARM 42.12.133, and its employees; or
 - (c) a "~~third party delivery licensee~~" defined in [Sec. 1, Ch. 75, Laws of Montana (2025)].
- (3) "Private training provider" means a private business providing RASS training using a department-approved program.
- (4) "Proof of training document" means a document showing the RASS training program name, training date, and the participant who obtained a passing score on the exam.
- (5) "RASS training" means the Responsible Alcohol Sales Service and Delivery Act training required under 16-4-1001, MCA, et seq.

- (6) "State trainer" means a department-approved individual providing RASS training using the department's training program.
- (7) "Training records" means documentation or information submitted electronically to the department by a state trainer or private training provider showing the RASS training program, training date, whether training was online or in person, and each participant's name, date of birth, and exam score.

Authorizing statute(s): 16-4-1009, MCA

Implementing statute(s): Sec. 1, Ch. 75, Laws of Montana (2025), 16-4-1002, 16-4-1006, MCA

Reasonable Necessity Statement

In addition to the department's general statement of reasonable necessity, the department proposes to amend ARM 42.13.901 to incorporate new terms "off-premises licensee" and "on-premises licensee" as sub-definitions to the statutory definition of licensee (which is also proposed for addition to the rule) because HB 211 introduces this industry variation of reference to license categories based on where the consumption of alcoholic beverages is authorized (i.e., off of a licensed premises, or on the licensed premises). And adoption of the terms – and what license types are included – is preferred versus stating each license type that the department administers each time the rule requires it. The department also proposes to incorporate the definitions for "RASS training," since that is the type of training program to which the rules pertain, and ~~"third party delivery licensee"~~ to implement terminology created under ~~HB 211~~.

The department proposes to repeal the definition of "combined exam score" because the lack of a common exam hampers the department's ability to analyze program effectiveness of each authorized training provider. However, a common exam allows the department to recognize weaknesses in training curricula and the department proposes to provide the exam for trainers to use as proposed in ARM 42.13.904(1)(f). The department also proposes the repeal of "house policies" and "incident log" as it is unnecessary to define commonly used terms and the department revised rule text in ARM 42.13.907(1) which obviates the need for these definitions.

Lastly, the rule's authorizing and implementing statutes are proposed for amendment to comply with 2-4-305(3), MCA.

42.13.902 STATE TRAINING PROGRAM; DEPARTMENT AND STATE TRAINER RESPONSIBILITIES

- (1) The department shall:

- (a) effective January 1, 2026, implement two RASS training programs: one for on-premises licensees, and one for off-premises licensees ~~and third party delivery licensees that meet the requirements of [S~~~~ecs. 1 and 11, Ch. 75, Laws of Montana (2025)]~~, 16-4-115, 16-4-1006, and ARM 42.13.907, as applicable;
- (b) update the training programs in (1)(a) following each legislative session, as needed;
- (c) facilitate the training for state trainers;
- (d) provide RASS training materials electronically;
- (e) grade RASS training exams; and
- (f) issue proof of RASS training documents.

(2) A state trainer shall:

- (a) deliver RASS training utilizing the department's training programs;
- (b) follow the department's RASS training programs delivery requirements;
- (c) schedule training sessions and notify the department at least two weeks in advance of the training;
- (d) administer a training program exam provided by the department;
- (e) electronically submit training records to the department within two weeks of a training session; and
- (f) comply with all applicable laws, regulations, and department policies concerning the confidentiality of training participants' personally identifiable information in training records. Training records must be transmitted securely.

(3) The department will not pay state trainers for providing RASS training. State trainers may charge participants a fee for each training session.

Authorizing statute(s): ~~Sec. 11, Ch. 75, Laws of Montana (2025)~~, 16-4-1009, MCA

Implementing statute(s): ~~Secs. 1 and 11, Ch. 75, Laws of Montana (2025)~~, 16-4-115, 16-4-1006, MCA

Reasonable Necessity Statement

In addition to the department's general statement of reasonable necessity, the department proposes to amend ARM 42.13.902 to: (1) reflect the HB 157 requirement that RASS training curricula be separated into on-premises licensee and off-premises licensee versions based on

the defined terms in ARM 42.13.901; and (2) implement HB 211 RASS training requirements for third party delivery licensees. However, since off-premises licensee RASS training requirements are so similar to that of third party delivery licensees, the department intends to implement a combined training program for these license types. Stated differently, as in (1)(a) the department proposes to implement two RASS training programs: one for on-premises licensees, and the other for off-premises licensees and/or third party delivery licensees.

The department proposes to repeal the five-year curriculum review in current (1)(c) because operation of the industry, changes in alcoholic beverage types, legislatively mandated public policy changes, and changes in the law, require curriculum review more frequently than every five years. The department also proposes the repeal of (1)(d) because the department no longer recruits trainers.

The department proposes to remove the minimum training length in (2)(a) and restate it in ARM 42.13.907 because that rule will include all training program curricula requirements.

The department proposes to require trainers to notify the department at least two weeks prior to a training session in (2)(c) to allow adequate notice for the department to conduct any necessary training curriculum audits for compliance with the RASSD Act and these rules.

The department lastly proposes to strike the stated maximum fee amount a trainer may charge a participant to take a RASS training class in (3) in favor of an open-ended fee structure. While the department understands that a fixed price model may be more economical for certain licensees in limited circumstances, the maximum fee structure has disincentivized trainers from providing training in Montana's more remote locations. The department contends that allowing "market price" fees for RASS training sessions, which is an incentive for trainers to service remote locations, outweighs the inability of receiving RASS training (a requirement for licensure) or any theoretical savings in a fixed price model.

Lastly, the rule's authorizing and implementing statutes are proposed for amendment to comply with 2-4-305(3), MCA.

42.13.904 PRIVATE TRAINING PROGRAMS; DEPARTMENT AND PRIVATE TRAINER RESPONSIBILITIES

- (1) The department shall:
 - (a) effective January 1, 2026, issue decisions on private training program submissions for on-premises licensee ~~and off-premises licensee~~ training within 60 days, ~~and for off-premises licensee or third party delivery licensee training within 30 days;~~

- (b) publish private training provider contact information on the department's website;
- (c) notify private training providers of statutory changes to RASS training which require action by the providers;
- (d) evaluate private training provider program effectiveness, as needed, including the percentage of program participants who sell to underage or intoxicated persons;
- (e) notify a private training provider of any required changes based upon training program deficiencies; and
- (f) provide private training providers with a Montana specific exam for program participants to complete at the end of a training.

(2) A private training provider shall:

- (a) update and electronically submit its training program materials for department approval within 30 days of receiving the notice in (1)(c);
- (b) only utilize updated training program materials upon receipt of departmental approval;
- (c) establish the time and location of in-person training sessions and notify the department at least two weeks in advance of any training;
- (d) administer the required Montana exam and questions based upon the training program content requirements in ARM 42.13.907;
- (e) grade exams;
- (f) issue proof of training documents;
- (g) electronically submit training records to the department within two weeks of a training session;
- (h) contact training participants who fail a compliance check, while employed, to determine the reason for failure and report findings to the department; and
- (i) comply with all applicable laws and department policies concerning the confidentiality of training participants' personally identifiable information in training records. Training records must be transmitted to the department by secure means only.

(3) The department may review a private training provider's training program if any five of the provider's training participants fails a compliance check, while employed, in any consecutive four-month period.

(4) Upon determining that an approved training program is ineffective or that the private training provider failed to adhere to any requirement in (2), the department

shall notify the provider, and the provider may be subject to corrective action, including suspension or decertification of its training program. To continue to offer training, the private training provider must cure program deficiencies and reapply to have its new training program reviewed and approved by the department.

- (5) The department will not compensate a private training provider for training services. A provider may charge participants for a training session.

Authorizing statute(s): 16-4-1009, MCA

Implementing statute(s): 16-4-1006, MCA

Reasonable Necessity Statement

In addition to the department's general statement of reasonable necessity, the department proposes to amend ARM 42.13.904 to clarify the respective responsibilities of the department and private training program providers in the approval of training programs given the bifurcation of training curricula in HB 157 and the new third party delivery licensee and training requirements enacted by HB 211.

The department proposes amendments to (1)(a), effective January 1, 2026, to increase allowable time for the department to review and approve private training program provider submissions of on-premises licensee training programs because providers will now have the option to create two separate curricula, which the department anticipates may double the number of trainings that require approval. ~~Since HB 211 statutorily mandates a 30-day review and approval of third party delivery licensee training, (1)(a) acknowledges and incorporates that requirement upon the department and also includes off-premises licensees since the operation and training requirements are so similar to that of third party delivery licensees.~~

The department also proposes an amendment in new (1)(f), and alluded to in the amendments to ARM 42.13.902, to require training providers to use a Montana specific exam provided by the department which will allow the department to analyze any provider's rigor and effectiveness in its training program curricula.

Similar to the department's proposed amendments in ARM 42.13.902, the department proposes to: (1) remove the minimum training length in (2)(a) and restate it in ARM 42.13.907 because that rule will include all training program curricula requirements; and (2) require private training program providers to notify the department at least two weeks prior to a training session in (2)(c) to allow adequate notice for the department to conduct any necessary training curriculum audits for compliance with the RASSD Act and these rules.

The department proposes new (2)(i) to require a private training program provider to contact individuals who have failed any alcoholic beverage sales compliance check and report those

findings to the department because determining the cause(s) why a training attendee failed a compliance check may indicate curricula construction deficiencies or expected outcomes. And as an extension of proposed (2)(i), the department proposes (3) to subject a private training program provider to a curriculum review as an early stage corrective action before the department is compelled to suspend or decertify the private training program provider.

Finally, the department proposes necessary clarifying amendments to proposed (5) to align corrective action standards with statute and with other administrative rules. Other amendments to (5) clarify procedures available to a private training program provider who desires to reapply for consideration of reinstatement to conduct RASS training. Absent these amendments, the corrective action and post-corrective action process is somewhat unclear to the detriment of a private training program provider and the department.

42.13.907 REQUIREMENTS FOR ON-PREMISES, ~~AND OFF-PREMISES, AND THIRD-PARTY DELIVERY~~ LICENSEE RASS TRAINING PROGRAMS

- (1) In addition to the requirements in 16-4-1006, MCA, a RASS training program for on-premises consumption licensees must:
 - (a) provide the following minimum content:
 - (i) standard drink sizes and equivalency;
 - (ii) methods to identify and prevent sales to underage or intoxicated persons;
 - (iii) strategies used by underage persons to obtain alcohol;
 - (iv) acceptable forms of identification;
 - (v) actions that can be taken to prevent an alcohol-related incident from occurring;
 - (vi) the benefits of effective operational policies and document maintenance practices related to the service of alcoholic beverages for licensees, and licensee liability; and
 - (vii) best practices in the delivery of alcoholic beverages permitted under 16-4-201, MCA;
 - (b) consist of a minimum of two hours of content; and
 - (c) contain a minimum of six Montana specific techniques for denying alcohol sales using videos or other interactive training tools.
- (2) In addition to the requirements in 16-4-115 and 16-4-1006, MCA, a RASS training program for off-premises consumption licensees ~~and/or third party delivery~~ licensees must:

- (a) provide the following minimum content:
 - (i) methods to identify underage or intoxicated persons and preventing sales of alcoholic beverages to them;
 - (ii) strategies used by underage persons to obtain alcoholic beverages;
 - (iii) acceptable forms of identification used to purchase alcoholic beverage purchases;
 - (iv) methods to prevent an alcohol-related incident from occurring;
 - (v) best practices in the delivery of alcoholic beverages; and
 - (vi) the benefits of effective operational policies and document maintenance practices related to the service of alcoholic beverages for licensees, and licensee liability.
- (b) consist of a minimum of one hour of content; and
- (c) contain a minimum of three Montana specific techniques for denying alcohol sales using videos or other interactive training tools.

(3) All RASS training programs must require participants to pass an exam with a score of 80 percent or better. A training program may allow participants to retake an exam if a first exam score was no lower than 70 percent. If participants score less than 70 percent on a first exam, the training program must require those participants to retake the entire training program and obtain a passing score on the retake exam.

Authorizing statute(s): Sec. 1, Ch. 75, ~~Laws of Montana (2025)~~, 16-4-1009, MCA

Implementing statute(s): Secs. 1 and 11, Ch. 75, ~~Laws of Montana (2025)~~, 16-4-115, 16-4-1006, MCA

Reasonable Necessity Statement

In addition to the department's general statement of reasonable necessity, the department proposes to amend ARM 42.13.907 to simplify and reorganize the text of the rule, include necessary statutory cross-references, update private training program provider requirements consistent with Montana specific exam content, and to clarify the rule's title relative to the types of RASS training programs approved through the department (i.e., on-premises; and off-premises, ~~or third party delivery~~ licensees).

The proposed amendment to the rule's title is necessary to sufficiently describe the rule's content.

The reorganization of rule sections and content is proposed as follows: (1) for on-premises licensees; (2) for off-premises licensees ~~and for third party delivery licensees~~; and (3) RASS training exam passing. The department contends the proposed structure is necessary to implement the separate curriculum requirements for on-premises licensees from the off-premises mandates of HB 157 ~~together with the third party delivery licensee and off-premises licensee delivery endorsement requirements from HB 211~~.

Lastly, the rule's authorizing and implementing statutes are proposed for amendment to comply with 2-4-305(3), MCA.

Rule Reviewer

Todd Olson

Approval

Brendan Beatty, Director of Revenue