

#### **DEPARTMENT OF REVENUE**

#### NOTICE OF PROPOSED RULEMAKING

#### **MAR NOTICE NO. 2025-244.1**

# **Summary**

Adoption of New Rule 1 pertaining to out-of-state brewer or beer importer registrations

## No Hearing Scheduled

If the agency receives requests for a public hearing on the proposed rulemaking from either 10 percent or 25, whichever is less, of the persons directly affected by the proposed rulemaking; from the appropriate administrative rule review committee of the Legislature; from a governmental subdivision or agency; or from an association having not less than 25 members who will be directly affected, a hearing will be held at a later date. Notice of the hearing will be published in the Montana Administrative Register.

The estimated number of persons directly affected by the proposed rulemaking is 13 persons based on the approximate 135 out-of-state brewers and beer importers currently doing business in Montana who were statutorily converted from a license to a registration.

#### Comments

Comments may be submitted using the contact information below. Comments must be received by Monday, September 22, 2025, 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 Friday, August 29, 2025, at 5:00 p.m.

#### Contact

Todd Olson, Rule Reviewer - Department of Revenue, Legal Services Office (406) 444-7905 todd.olson@mt.gov

## **Rulemaking Actions**

## **ADOPT**

The rules proposed to be adopted are as follows:

### **NEW RULE I IMPORTATION OF BEER**

- (1) An out-of-state brewery or beer importer not otherwise licensed in Montana that desires to ship beer to Montana must submit an application for registration pursuant to 16-4-101, MCA, pay the department a registration fee of \$500, and receive department approval for the registration.
- (2) The registration and fee described in (1) must be renewed annually by July 1.
- (3) Each product that an out-of-state brewery or beer importer ships into Montana must conform to the requirements of ARM 42.13.201, 42.13.202, and 42.13.203.
- (4) An out-of-state brewery or beer importer that fails to renew its registration or pay the fee provided in (2) is subject to cancellation or suspension of the registration, as authorized under 16-4-101, MCA.

Authorizing statute(s): 16-1-303, MCA

Implementing statute(s): 16-4-101, MCA

### **Reasonable Necessity Statement**

Among the several enactments of Senate Bill 75 (2023) (SB 75), SB 75 also amended 16-4-101, MCA, which converted out-of-state brewer or beer importer licenses to that of a registration, which is administered by the department. As a result, approximately 135 current out-of-state brewers and beer importer converted from a license to a registration.

The department now proposes NEW RULE 1 to provide for a registration process, initial registration fee, and annual registration renewal fee of \$500, which is the same amount the

out-of-state brewers and beer importers pay under licensure (see (1) and (2)). The department proposes the registration year to begin July 1 which is consistent with all other licenses and registrations issued by the department and matches current practices for all out-of-state brewers and beer importers under licensure.

The department also proposes (3) to provide out-of-state brewers or beer importers with necessary regulatory cross-references of collateral requirement(s) for department approval of all beer products prior to sale and distribution within Montana.

Lastly, the department proposes (4) which is necessary to inform registrants that failure to timely renew or pay the annual registration fee will result in cancellation or suspension of the registration, as authorized under 16-4-101, MCA.

FISCAL IMPACT: In accordance with 2-4-302, MCA, the department is required to estimate the fiscal impact through the payment and collection of fees proposed in NEW RULE 1 and the number of persons affected.

As described above, the change in SB 75 to adopt registrations instead of licenses will not have any anticipated fiscal impact on the 135 out-of-state breweries and beer importers because those registration fees are the same as the license and renewal fees currently being paid by the out-of-state breweries and beer importers.

## **Small Business Impact**

With regard to the small business impact analysis requirements of 2-4-111, MCA, as amended by HB 592 (2025), the department has determined that the group or class of businesses directly affected by this rulemaking are the current 135 out-of-state breweries and beer importers. However, the adoption of the above-referenced rule does not represent a significant departure from existing practices or fees for the out-of-state breweries and beer importers because SB 75 changed licensure to registration and the fees and administrative task of registration renewal are substantively the same as with licensure.

Documentation of the small business impact analysis is available upon request.

### **Bill Sponsor Notification**

The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

### **Interested Persons**

The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the

list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a different mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in this notice or may be made by completing a request form at any rules hearing held by the department.

### **Rule Reviewer**

**Todd Olson** 

# **Approval**

Brendan Beatty, Director