



Adopted	Rejected
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COMMITTEE REPORT

YES:	10
NO:	0

MR. SPEAKER:

*Your Committee on Public Policy, to which was referred House Bill 1396, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 7.1-1-3-6 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. ~~Beer~~. The term
- 5 "beer" means an alcoholic beverage obtained by the fermentation of:
- 6 **(1)** an infusion or decoction of:
- 7 **(A)** barley malt or other cereal; and
- 8 **(B)** hops;
- 9 in water; **or**
- 10 **(2) cereal byproducts."**
- 11 Page 1, line 13, strike "one (1)" and insert "**two (2)**".
- 12 Page 1, line 15, after "primarily" insert "**as a fine arts theater or**".
- 13 Page 2, between lines 4 and 5, begin a new paragraph and insert:

1 "SECTION 3. IC 7.1-1-3-16.7 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 16.7. The term
 3 "flavored malt beverage" means an alcoholic beverage that has all of
 4 the following attributes:

5 (1) The alcoholic beverage is made from a malt beverage base
 6 that is flavored with aromatic essences or other flavorings in
 7 quantities and proportions that result in a product that possesses
 8 a character and flavor distinctive from the malt beverage base and
 9 is distinguishable from other malt beverages.

10 (2) The label, packaging, container, and any advertising or
 11 depiction of the alcoholic beverage disseminated, broadcast, or
 12 available in Indiana do not contain any of the following words, or
 13 a derivative, version, or non-English translation of the following
 14 words:

- 15 (A) Beer.
- 16 (B) Lager.
- 17 (C) Pilsner.
- 18 (D) Stout.
- 19 (E) Porter.
- 20 (F) Ale.
- 21 (G) Cider.
- 22 (H) Framboise.
- 23 (I) Lambic.
- 24 (J) Draft.
- 25 (K) Liquor.
- 26 (L) Bitter.
- 27 (M) Brew.

28 However, the label and packaging may contain in only one (1)
 29 location the words "flavored beer" placed adjacent to each other
 30 in type not to exceed two (2) millimeters in height.

31 ~~(3) The alcoholic beverage is not distributed in aluminum or other
 32 metal containers.~~

33 ~~(4)~~ **(3)** The alcoholic beverage creates no foam that gives the
 34 appearance of beer when the alcoholic beverage is poured from
 35 its container."

36 Page 6, between lines 9 and 10, begin a new paragraph and insert:

37 **"(m) Upon written request, the local board must provide to an
 38 individual by electronic mail a copy of the local board monthly**

1 **hearing schedule. After an individual first requests the monthly**
 2 **hearing schedule, the local board must provide that individual with**
 3 **all subsequent monthly hearing schedules, unless the individual**
 4 **requests to no longer receive the monthly schedules. The schedule**
 5 **must be provided to the requesting individual not later than**
 6 **twenty-four (24) hours after the schedule is posted."**

7 Page 11, line 14, delete "the employee of the permittee:" and insert
 8 **"an employee of the permittee who is at least twenty-one (21) years**
 9 **of age:"**.

10 Page 14, line 28, delete "the employee of the permittee:" and insert
 11 **"an employee of the permittee who is at least twenty-one (21) years**
 12 **of age:"**.

13 Page 15, between lines 40 and 41, begin a new paragraph and insert:
 14 **"SECTION 20. IC 7.1-3-6-17 IS ADDED TO INDIANA CODE AS**
 15 **A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1,**
 16 **2021]: Sec. 17. (a) Notwithstanding any other law, the holder of a**
 17 **retailer's permit, may allow:**

- 18 **(1) a brewery under IC 7.1-3-2-7(5);**
- 19 **(2) a farm winery under IC 7.1-3-12;**
- 20 **(3) an artisan distillery under IC 7.1-3-27; or**
- 21 **(4) any combination of (1) through (3);**

22 **to host a trade show or an exposition at which products of a**
 23 **permittee participant are displayed, promoted, and sold on the**
 24 **licensed premises for which a retailer's permit or supplemental**
 25 **permit (if the retailer permittee also holds a supplemental caterer's**
 26 **permit) has been issued.**

27 **(b) The permittee or permittees described in subsection (a) may**
 28 **provide complimentary samples of their own products and sell**
 29 **their own products to consumers by the glass or for carryout at the**
 30 **location that is subject to the retailer's permit or supplemental**
 31 **caterer's permit."**

32 Page 16, line 28, delete "the employee of the permittee:" and insert
 33 **"an employee of the permittee who is at least twenty-one (21) years**
 34 **of age:"**.

35 Page 17, delete lines 16 through 19, begin a new line block indented
 36 and insert:

37 **"(2) The area is:**

38 **(A) within a tract that contains a premises that is described**

1 **in IC 7.1-3-1-14(d)(2);**
 2 **(B) in close proximity or adjacent to the concourse of or**
 3 **within the building or facility; or**
 4 **(C) within a restricted access club area of or within the**
 5 **building or facility."**

6 Page 18, line 21, delete "A" and insert "**In a grab and go store, a**".

7 Page 18, line 24, delete "in the grab and go store".

8 Page 18, line 28, delete "in the grab and go store".

9 Page 19, delete line 26.

10 Page 19, line 27, reset in roman "(C)".

11 Page 19, line 27, delete "(D)".

12 Page 19, line 28, strike "or".

13 Page 19, line 29, reset in roman "(D)".

14 Page 19, line 29, delete "(E)".

15 Page 19, line 30, delete "(C). (D)." and insert "(C); **or**

16 **(E) any other container permissible under federal law."**

17 Page 21, delete lines 7 through 19, begin a new line block indented
 18 and insert:

19 **"(14) A holder that:**

20 **(A) does not distribute through an Indiana wine wholesaler**
 21 **is entitled under the farm winery permit to sell and deliver**
 22 **to a person holding a wine retailer or wine dealer permit**
 23 **under this title:**

24 **(i) a total of not more than one thousand (1,000) gallons**
 25 **of the farm winery's wine in a calendar year, if the farm**
 26 **winery has taken not more than five thousand (5,000)**
 27 **gallons out of bond the previous calendar year;**

28 **(ii) a total of not more than two thousand (2,000) gallons**
 29 **of the farm winery's wine in a calendar year, if the farm**
 30 **winery has taken more than five thousand (5,000) gallons**
 31 **out of bond and not more than ten thousand (10,000)**
 32 **gallons out of bond the previous calendar year; or**

33 **(iii) a total of not more than three thousand (3,000)**
 34 **gallons of the farm winery's wine in a calendar year, if**
 35 **the farm winery has taken more than ten thousand**
 36 **(10,000) gallons out of bond and not more than fifteen**
 37 **thousand (15,000) gallons out of bond the previous**
 38 **calendar year; or**

1 **(B) distributes through an Indiana wine wholesaler is**
 2 **entitled under the farm winery permit to sell and deliver to**
 3 **a person holding a wine retailer or wine dealer permit**
 4 **under this title the greater of:**
 5 **(i) one thousand (1,000) gallons; or**
 6 **(ii) fifty percent (50%) of the amount the permit holder**
 7 **distributed through an Indiana wholesaler the previous**
 8 **calendar year, not to exceed three thousand (3,000)**
 9 **gallons."**

10 Page 22, line 15, delete "the employee of the permittee:" and insert
 11 **"an employee of the permittee who is at least twenty-one (21) years**
 12 **of age:"**.

13 Page 23, line 9, delete "the employee of the permittee:" and insert
 14 **"an employee of the permittee who is at least twenty-one (21) years**
 15 **of age:"**.

16 Page 29, line 33, delete "including" and insert "**excluding**".

17 Page 33, delete lines 33 through 42, begin a new line block indented
 18 and insert:

19 **"(10) A holder that:**
 20 **(A) does not distribute through an Indiana liquor**
 21 **wholesaler is entitled under the artisan distiller's permit to**
 22 **sell and deliver to a person holding a liquor retailer or**
 23 **liquor dealer permit under this title:**
 24 **(i) a total of not more than one hundred (100) proof**
 25 **gallons of the artisan distillery's liquor in a calendar**
 26 **year, if the artisan distillery has taken not more than five**
 27 **hundred (500) proof gallons out of bond the previous**
 28 **calendar year;**
 29 **(ii) a total of not more than two hundred (200) proof**
 30 **gallons of the artisan distillery's liquor in a calendar**
 31 **year, if the artisan distillery has taken more than five**
 32 **hundred (500) proof gallons out of bond and not more**
 33 **than one thousand (1,000) proof gallons out of bond the**
 34 **previous calendar year; or**
 35 **(iii) a total of not more than three hundred (300) proof**
 36 **gallons of the artisan distillery's liquor in a calendar**
 37 **year, if the artisan distillery has taken more than one**
 38 **thousand (1,000) proof gallons out of bond and not more**

1 than fifteen hundred (1,500) proof gallons out of bond
 2 the previous calendar year; or
 3 **(B) distributes through an Indiana liquor wholesaler is**
 4 **entitled under the artisan distiller's permit to sell and**
 5 **deliver to a person holding a liquor retailer or liquor**
 6 **dealer permit under this title the greater of:**
 7 **(i) one hundred (100) proof gallons; or**
 8 **(ii) fifty percent (50%) of the amount the permit holder**
 9 **distributed through an Indiana liquor wholesaler the**
 10 **previous calendar year, not to exceed three hundred**
 11 **(300) proof gallons."**

12 Page 34, delete lines 1 through 2.

13 Page 34, line 33, delete "the employee of the permittee:" and insert
 14 **"an employee of the permittee who is at least twenty-one (21) years**
 15 **of age:"**.

16 Page 35, between lines 28 and 29, begin a new paragraph and insert:
 17 "SECTION 46. IC 7.1-3-31 IS ADDED TO THE INDIANA CODE
 18 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 19 JULY 1, 2021]:

20 **Chapter 31. Craft Festival Organizer Permit**

21 **Sec. 1. As used in this chapter, "festival area" means a building,**
 22 **structure, tent, or outdoor area contiguous to a building, structure,**
 23 **or tent that is approved by the commission as the location for a**
 24 **festival conducted by an organizer permittee.**

25 **Sec. 2. As used in this chapter, "festival participant" means the**
 26 **holder of:**

- 27 **(1) a brewer's permit that has received the commission's**
- 28 **approval under IC 7.1-3-2-7(5)(J);**
- 29 **(2) a farm winery that has received the commission's approval**
- 30 **under IC 7.1-3-12-5(c); or**
- 31 **(3) an artisan distiller's permit that has received the**
- 32 **commission's approval under IC 7.1-3-27-8(a)(8);**

33 **to participate in an event, trade show, or exposition.**

34 **Sec. 3. As used in this chapter, "organizer permittee" means a**
 35 **person issued a festival organizer permit under this chapter.**

36 **Sec. 4. An applicant for a festival organizer permit shall provide**
 37 **the commission with a floor plan of the festival area and the**
 38 **location of the festival participants within the festival area.**

1 **Sec. 5. An organizer permittee shall comply with the following:**

2 **(1) Provide service of alcoholic beverages only by servers**
3 **certified under IC 7.1-3-1.5.**

4 **(2) Allow sales only during the times prescribed under**
5 **IC 7.1-3-1-14.**

6 **(3) Prohibit sales prohibited under IC 7.1-5-10-1.**

7 **(4) Operate under rules adopted by the commission to protect**
8 **the public interest under IC 7.1-1-1.**

9 **Sec. 6. A municipality or county (if the festival area is located in**
10 **the unincorporated area of the county) may, by ordinance,**
11 **establish requirements for the operation of the festival, including:**

12 **(1) requiring festival participants to use only nonbreakable**
13 **plastic bottles or plastic or paper cups for alcoholic beverages**
14 **consumed in the festival area; or**

15 **(2) requiring bottles or cups to be affixed with a logo that**
16 **identifies the container for use only in the festival area.**

17 **Sec. 7. If the application is approved, the organizer permittee is**
18 **entitled to allow festival participants to:**

19 **(1) occupy the same building, structure, tent, or contiguous**
20 **area; and**

21 **(2) sell and serve alcoholic beverages to consumers by the**
22 **drink and in the original containers for carryout.**

23 **Sec. 8. The term of an organizer permit is up to and including,**
24 **three (3) days from its issuance. The commission may issue not**
25 **more than one (1) organizer permit per calendar quarter for each**
26 **county.**

27 **Sec. 9. (a) An organizer permittee shall provide every person**
28 **within the festival area who is at least twenty-one (21) years of age**
29 **with a nontransferable wristband identification imprinted with the**
30 **name or logo of the festival.**

31 **(b) A festival participant may not sell alcoholic beverages to a**
32 **person unless the person is wearing a wristband identification**
33 **imprinted with the name or logo of the festival area.**

34 **(c) A organizer permittee commits a Class B infraction for a**
35 **violation of this section.**

36 **Sec. 10. (a) An applicant for an organizer permit is not required**
37 **to post notice and appear in front of the local board in which the**
38 **permit premises is situated.**

1 **(b) An organizer permit authorized by this section may be**
 2 **issued without regard to the quota provisions of IC 7.1-3-22.**

3 **Sec. 11. A festival participant may sell or serve a consumer not**
 4 **more than one (1) open container of an alcoholic beverage at a**
 5 **time. The open container may not exceed the following:**

6 **(1) An open container of beer or flavored malt beverage may**
 7 **not exceed sixteen (16) fluid ounces.**

8 **(2) An open container of wine, including cider or hard seltzer,**
 9 **may not exceed twelve (12) fluid ounces.**

10 **(3) An open container of a mixed drink containing at least one**
 11 **(1) liquor and at least one (1) nonalcoholic mixer other than**
 12 **water or ice may not exceed ten (10) fluid ounces.**

13 **(4) An open container of only liquor, liquor and water, or**
 14 **liquor and ice may not exceed two (2) ounces.**

15 **Sec. 12. A person may consume an alcoholic beverage purchased**
 16 **from a festival participant anywhere within the festival area**
 17 **designated as a common area for the consumption of alcoholic**
 18 **beverages.**

19 **Sec. 13. A person may not consume an alcoholic beverage within**
 20 **the festival area that was purchased outside of the festival area or**
 21 **that was purchased from a festival participant for carryout.**

22 **Sec. 14. An organizer permittee is responsible to the commission**
 23 **for any and all violations of alcohol laws and rules regarding sales**
 24 **and service of alcoholic beverages by festival participants.**

25 **Sec. 15. An organizer permittee who violates section 9 or 11 of**
 26 **this chapter commits a Class B infraction.**

27 **Sec. 16. An applicant for an organizer permit must pay the**
 28 **license fee under IC 7.1-4-4.1-5.**

29 SECTION 47. IC 7.1-4-4.1-5, AS AMENDED BY P.L.214-2016,
 30 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2021]: Sec. 5. (a) This section applies to the following
 32 permits:

33 (1) Temporary beer permit.

34 (2) Temporary wine permit.

35 (b) Except as provided in subsection (d), a license fee for a
 36 temporary permit is the greater of the following:

37 (1) Two dollars (\$2) per day of operation.

38 (2) The amount per day set by the commission under subsection

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(c).
(c) Subject to any rates or schedules adopted by the commission, the commission may set a higher daily rate for a temporary beer permit under subsection (b)(2) if, in the judgment of the commission, the number of persons likely to be accommodated, or any other facts bearing on the value of the permit warrant the increase. However, except as provided under subsection (d), the fee may not exceed one thousand dollars (\$1,000) per day.

(d) A license fee for a temporary permit issued under IC 7.1-3-6-3.8 is two thousand five hundred dollars (\$2,500).

(e) A fee for a craft festival organizer permit under IC 7.1-3-31 is five hundred dollars (\$500)."

Page 36, between lines 14 and 15, begin a new paragraph and insert:
"SECTION 49. IC 7.1-5-7-11, AS AMENDED BY P.L.285-2019, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. (a) The provisions of sections 9 and 10 of this chapter shall not apply if the public place involved is one (1) of the following:

- (1) Civic center.
- (2) Convention center.
- (3) Sports arena.
- (4) Bowling center.
- (5) Bona fide club.
- (6) Drug store.
- (7) Grocery store.
- (8) Boat.
- (9) Dining car.
- (10) Pullman car.
- (11) Club car.
- (12) Passenger airplane.
- (13) Horse racetrack facility holding a recognized meeting permit under IC 4-31-5.
- (14) Satellite facility (as defined in IC 4-31-2-20.5).
- (15) Catering hall under IC 7.1-3-20-24 that is not open to the public.
- (16) That part of a restaurant which is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.

- 1 (17) Entertainment complex.
- 2 (18) Indoor golf facility.
- 3 (19) A recreational facility such as a golf course, bowling center,
4 or similar facility that has the recreational activity and not the sale
5 of food and beverages as the principal purpose or function of the
6 person's business.
- 7 (20) A licensed premises owned or operated by a postsecondary
8 educational institution described in IC 21-17-6-1.
- 9 (21) An automobile racetrack.
- 10 (22) An indoor theater under IC 7.1-3-20-26.
- 11 (23) A senior residence facility campus (as defined in
12 IC 7.1-3-1-29(c)) at which alcoholic beverages are given or
13 furnished as provided under IC 7.1-3-1-29.
- 14 (24) A hotel other than a part of a hotel that is a room in a
15 restaurant in which a bar is located over which alcoholic
16 beverages are sold or dispensed by the drink.
- 17 (25) The location of an allowable event to which IC 7.1-3-6.1
18 applies.
- 19 (26) The location of a charity auction to which IC 7.1-3-6.2
20 applies.
- 21 (27) A farm winery and any additional locations of the farm
22 winery under IC 7.1-3-12, if the minor is in the company of a
23 parent, legal guardian or custodian, or family member who is at
24 least twenty-one (21) years of age and the minor is accompanied
25 by the adult in any area that the adult may be present whether or
26 not the area:
 - 27 (A) is separated in any manner from where the wine is
28 manufactured, sold, or consumed within the farm winery
29 premises; or
 - 30 (B) operates under a retailer's permit.
- 31 (28) An artisan distillery under IC 7.1-3-27, if:
 - 32 (A) the person who holds the artisan distiller's permit also
33 holds a farm winery permit under IC 7.1-3-12; and
 - 34 (B) the minor is in the company of a parent, legal guardian or
35 custodian, or family member who is at least twenty-one (21)
36 years of age.
- 37 (29) An art instruction studio under IC 7.1-5-8-4.6.
- 38 (30) The licensed premises of a food hall under IC 7.1-3-20-29

1 and the food and beverage vending space of a food hall vendor
2 permittee under IC 7.1-3-20-30. However, sections 9 and 10 of
3 this chapter apply to a bar within the food and beverage vending
4 space of a food hall vendor permittee under IC 7.1-3-20-30 that
5 serves alcoholic beverages intended to be consumed while sitting
6 or standing at the bar.

7 **(31) A festival area under IC 7.1-3-31.**

8 (b) For the purpose of this subsection, "food" means meals prepared
9 on the licensed premises. It is lawful for a minor to be on licensed
10 premises in a room in which is located a bar over which alcoholic
11 beverages are sold or dispensed by the drink if all the following
12 conditions are met:

- 13 (1) The minor is eighteen (18) years of age or older.
- 14 (2) The minor is in the company of a parent, guardian, or family
15 member who is twenty-one (21) years of age or older.
- 16 (3) The purpose for being on the licensed premises is the
17 consumption of food and not the consumption of alcoholic
18 beverages."

19 Renumber all SECTIONS consecutively.
(Reference is to HB 1396 as introduced.)

and when so amended that said bill do pass.

Representative Smaltz

