



COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Public Policy, to which was referred House Bill No. 1396, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, delete lines 1 through 8, begin a new paragraph and insert:
2 "SECTION 1. IC 7.1-1-2-1.5 IS ADDED TO THE INDIANA CODE
3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
4 1, 2021]: **Sec. 1.5. If any provision, or application of any provision,**
5 **of this title concerning the manufacture, importation, distribution,**
6 **or retail sale of alcoholic beverages is deemed to be in conflict with**
7 **federal law or unconstitutional, the remainder of this title**
8 **concerning the manufacture, importation, distribution, or retail**
9 **sale of alcoholic beverages shall be construed to limit rather than**
10 **expand the manufacture, importation, distribution, and retail sale**
11 **of alcoholic beverages through a three-tier system.**
12 SECTION 2. IC 7.1-1-3-9.3 IS ADDED TO THE INDIANA CODE
13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
14 1, 2021]: **Sec. 9.3. The term "channel price" means a sale of an**
15 **alcoholic beverage to a permittee, exclusively for on-premises**
16 **consumption, at a different price than what the same alcoholic**
17 **beverage, in the same:**
18 (1) size;
19 (2) container; and

- 1 **(3) quantity;**
 2 **is being sold to other permittees."**
 3 Page 2, line 2, reset in roman "eight".
 4 Page 2, line 2, delete "six".
 5 Page 2, line 2, reset in roman "(800)".
 6 Page 2, line 3, delete "(600)".
 7 Page 2, line 6, delete "two (2)" and insert "**four (4)**".
 8 Page 2, line 8, delete "as a fine arts".
 9 Page 2, line 9, delete "theater or".
 10 Page 2, delete lines 13 through 42.
 11 Page 3, delete lines 1 through 5, begin a new paragraph and insert:
 12 "SECTION 6. IC 7.1-1-3-46.8 IS ADDED TO THE INDIANA
 13 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 2021]: **Sec. 46.8. The term "three-tier**
 15 **system" means the legal and regulatory framework for the:**
 16 **(1) manufacture or importation;**
 17 **(2) distribution; and**
 18 **(3) retail sale;**
 19 **of alcoholic beverages within Indiana. The term includes the real**
 20 **and substantial segregation by state law prohibiting common**
 21 **interests, ownership, and operations among the tiers set forth in**
 22 **subdivisions (1) through (3)."**
 23 Page 4, between lines 15 and 16, begin a new paragraph and insert:
 24 "SECTION 12. IC 7.1-2-5-11 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. ~~Evidence of~~
 26 ~~Misbranding.~~ An unbroken bottle **or container** which contains, or has
 27 contained, liquor or wine and which bears a brand, label, trade-mark,
 28 name or other device, marking, inscription, or a reference to quality,
 29 nature, character, origin, or manufacturer of the alcoholic beverage
 30 contents of that bottle **or container**, that has been altered, defaced,
 31 restored, or upon which the tax stamp of the federal government has
 32 been forged, counterfeited, restored, or reused, or which brand, label,
 33 trade-mark, name or other device, marking or inscription does not truly
 34 describe the contents or former contents shall be received in evidence
 35 in a court as prima facie proof that the person chargeable with the
 36 possession of it either is, or was, or both, maintaining a public nuisance
 37 and either is, or was, or both, keeping and possessing misbranded or
 38 adulterated alcoholic beverages.
 39 SECTION 13. IC 7.1-2-5-12, AS AMENDED BY P.L.1-2009,
 40 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2021]: Sec. 12. The court shall receive oral testimony also
 42 upon a matter referred to in section 11 of this chapter for the purpose

1 of showing a violation of this title whether the bottle **or container** is
2 offered in evidence or not.

3 SECTION 14. IC 7.1-2-5-13 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 13. ~~Destroyed~~
5 ~~Evidence~~. If a fluid is poured out or otherwise destroyed or carried
6 away by the tenant or other person when a premises is being searched,
7 the fluid shall be held to be, prima facie, an alcoholic beverage held or
8 possessed contrary to this title and intended for unlawful possession
9 and sale. Proof of the possession of an empty bottle **or container**, keg,
10 case and vessel that has contained a destroyed alcoholic beverage shall
11 be admitted as evidence of the illegal possession of that alcoholic
12 beverage.

13 SECTION 15. IC 7.1-3-1-3.5, AS AMENDED BY P.L.285-2019,
14 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 UPON PASSAGE]: Sec. 3.5. (a) This section only applies to a retailer
16 or dealer permit that is deposited with the commission before July 1,
17 2019.

18 (b) A permittee to whom a retailer or dealer permit has been issued
19 under this title may deposit that permit with the commission for a
20 period of one (1) year if the permittee is unable to immediately operate
21 the business to which the permit applies. Subject to subsections (d)
22 through ~~(e)~~; **(f)**, the commission may extend the term of the deposit
23 under IC 7.1-3-1.1.

24 (c) This subsection applies to a permit that is deposited with the
25 commission before July 1, 2016. The permit reverts to the commission
26 if the permit is not active before July 1, 2020.

27 (d) This subsection applies to a permit that is deposited with the
28 commission after June 30, 2016, and before July 1, ~~2018~~; **2017**. The
29 permit reverts to the commission if the permit is not active before July
30 1, 2021.

31 **(e) This subsection applies to a permit that is deposited with the**
32 **commission after June 30, 2017, and before July 1, 2018. The**
33 **permit reverts to the commission if the permit is not active before**
34 **July 1, 2022.**

35 ~~(e)~~ **(f)** This subsection applies to a permit that is deposited with the
36 commission after June 30, 2018, and before July 1, 2019. The permit
37 reverts to the commission if the permit is not active before July 1,
38 ~~2022~~; **2023**.

39 ~~(f)~~ **(g)** This section expires July 1, 2024."

40 Delete pages 5 through 6.

41 Page 7, delete lines 1 through 28., begin a new paragraph and insert:
42 "SECTION 21. IC 7.1-3-1-29, AS AMENDED BY P.L.35-2016,

1 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2021]: Sec. 29. (a) For purposes of this section, "health
3 facility" does not include an intermediate care facility for individuals
4 with intellectual disabilities.

5 (b) As used in this section, "senior residence facility" means a:

- 6 (1) health facility licensed under IC 16-28; or
- 7 (2) housing with services establishment (as defined in
8 IC 12-10-15-3).

9 (c) For purposes of this section, "senior residence facility campus"
10 means a senior residence facility and the property on which a senior
11 residence facility is located.

12 (d) A senior residence facility may, without a permit issued under
13 this title, possess and give or furnish an alcoholic beverage, by the
14 bottle, **by the container**, or by the glass, on the premises of the senior
15 residence facility campus for consumption on the premises to any of
16 the following:

17 (1) A resident who:

- 18 (A) is not a minor; and
- 19 (B) resides on the premises of the senior residence facility.

20 (2) A guest or family member of a resident described in
21 subdivision (1) who:

- 22 (A) is not a minor; and
- 23 (B) is visiting the resident at the senior residence facility.

24 (e) Subject to subsection (f), this section may not be construed to
25 authorize a senior residence facility to sell alcoholic beverages on the
26 premises of the senior residence facility campus without a permit under
27 this title.

28 (f) For purposes of this section, a senior residence facility that:

29 (1) charges a:

- 30 (A) room and board fee to residents of the senior residence
31 facility; or
- 32 (B) fee for organizing activities for:
 - 33 (i) residents of the senior residence facility; and
 - 34 (ii) guests or family members of the residents;

35 (2) uses a portion of a fee described in subdivision (1) to:

- 36 (A) purchase alcoholic beverages; and
- 37 (B) furnish the alcoholic beverages to individuals described in
38 subsection (d); and

39 (3) does not purchase and furnish the alcoholic beverages for
40 profit;

41 is not considered to be selling alcoholic beverages."

42 Page 8, line 4, delete "the permit".

- 1 Page 8, line 5, delete "holder must".
- 2 Page 8, line 14, strike "The permit holder shall".
- 3 Page 8, line 14, delete "submit" and insert "Submit".
- 4 Page 9, delete lines 25 through 42.
- 5 Delete pages 10 through 14.
- 6 Page 15, delete lines 1 through 20.
- 7 Page 15, line 29, after "house." insert "**This delivery may only be**
- 8 **performed by the permit holder or an employee who holds an**
- 9 **employee permit. The permit holder shall maintain a written**
- 10 **record of each delivery for at least one (1) year that shows the**
- 11 **customer's name, location of delivery, and quantity sold."**
- 12 Page 15, line 40, delete "A beer retailer that".
- 13 Page 15, delete lines 41 through 42.
- 14 Page 16, delete lines 1 through 27.
- 15 Page 17, between lines 17 and 18, begin a new paragraph and insert:
- 16 "SECTION 29. IC 7.1-3-5-3 IS AMENDED TO READ AS
- 17 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) The holder of a
- 18 beer dealer's permit shall be entitled to purchase beer for sale under the
- 19 permit only from a permittee entitled to sell to a beer dealer under this
- 20 title.
- 21 (b) A beer dealer shall be entitled to possess beer and sell it at retail
- 22 to a customer in permissible containers only.
- 23 (c) A beer dealer may not sell beer by the drink nor for consumption
- 24 on the licensed premises nor shall a beer dealer allow it to be consumed
- 25 on the licensed premises.
- 26 (d) Except as provided in subsection (e), a beer dealer shall be
- 27 entitled to sell beer to a customer and deliver it in permissible
- 28 containers to the customer on the licensed premises, or to the
- 29 customer's residence or office. A beer dealer shall not be entitled to sell
- 30 and deliver beer on the street or at the curb outside the licensed
- 31 premises, nor shall a beer dealer be entitled to sell beer at a place other
- 32 than the licensed premises. A beer dealer shall not be entitled to sell
- 33 beer and deliver beer for carry-out, or for delivery to a customer's
- 34 residence or office, in a quantity that exceeds eight hundred sixty-four
- 35 (864) ounces in a single transaction. **This delivery may only be**
- 36 **performed by the permit holder or an employee who holds an**
- 37 **employee permit.** However, notwithstanding IC 7.1-5-10-11, a beer
- 38 dealer who is licensed pursuant to IC 7.1-3-10-4 shall be entitled to sell
- 39 and deliver warm or cold beer for carry-out, or for delivery to a
- 40 customer's residence, office, or a designated location in barrels or other
- 41 commercial containers that do not exceed two thousand sixteen (2,016)
- 42 ounces per container. **This delivery may only be performed by the**

1 permit holder or an employee who holds an employee permit. The
 2 permit holder shall maintain a written record of each delivery for at
 3 least one (1) year that shows the customer's name, location of delivery,
 4 and quantity sold.

5 (e) Unless a beer dealer is a grocery store or drug store, a beer
 6 dealer may not sell or deliver alcoholic beverages or any other item
 7 through a window in the licensed premises to a patron who is outside
 8 the licensed premises. A beer dealer that is a grocery store or drug store
 9 may sell any item except alcoholic beverages through a window in the
 10 licensed premises to a patron who is outside the licensed premises."

11 Page 17, delete lines 28 through 42, begin a new paragraph and
 12 insert:

13 "SECTION 32. IC 7.1-3-7-3, AS AMENDED BY P.L.285-2019,
 14 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2021]: Sec. 3. (a) The holder of a distiller's permit shall be
 16 entitled to:

- 17 (1) manufacture liquor;
- 18 (2) ~~to rectify it; liquor; and to~~
- 19 (3) ~~bottle it liquor; and~~
- 20 (4) **insert liquor into containers.**

21 (b) A distiller shall enjoy all the privileges accorded the holder of
 22 a rectifier's permit, but the distiller shall not have to obtain a separate
 23 rectifier's permit nor pay an additional fee.

24 (c) A distiller shall be entitled to transport liquor and to sell and
 25 deliver it in shipments to points outside this state, or to the holder of a
 26 liquor wholesaler's permit, or to the holder of a rectifier's permit.

27 (d) A distiller may not sell liquor produced under a distiller's permit
 28 as issued under ~~IC 7.1-3-7-1~~ **section 1 of this chapter** to a consumer,
 29 nor to a person for the purpose of having it retailed by the person,
 30 whether that person holds a liquor retailer's permit under this title or
 31 not.

32 (e) A distiller may transport liquor to and from a brewery located
 33 within the same county for the purposes of carbonating and canning by
 34 the brewery.

35 (f) The activity under this section is not an interest under
 36 IC 7.1-5-9."

37 Page 18, delete lines 1 through 3.

38 Page 18, line 12, after "house." insert "**This delivery may only be**
 39 **performed by the permit holder or an employee who holds an**
 40 **employee permit. The permit holder shall maintain a written**
 41 **record of each delivery for at least one (1) year that shows the**
 42 **customer's name, location of delivery, and quantity sold."**

- 1 Page 18, line 22, delete "A liquor retailer that delivers liquor to a".
- 2 Page 18, delete lines 23 through 42.
- 3 Page 19, delete lines 1 through 9.
- 4 Page 21, between lines 6 and 7, begin a new paragraph and insert:
- 5 "SECTION 36. IC 7.1-3-10-7 IS AMENDED TO READ AS
- 6 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) The holder of a
- 7 liquor dealer's permit shall be entitled to purchase liquor only from a
- 8 permittee entitled to sell to a liquor dealer under this title.
- 9 (b) A liquor dealer shall be entitled to possess liquor and sell it at
- 10 retail in its original package to a customer only for consumption off the
- 11 licensed premises.
- 12 (c) A liquor dealer may deliver liquor only in permissible containers
- 13 to a customer's residence or office in a quantity that does not exceed
- 14 twelve (12) quarts at any one (1) time. **This delivery may only be**
- 15 **performed by the permit holder or an employee who holds an**
- 16 **employee permit.** However, a liquor dealer who is licensed under
- 17 IC 7.1-3-10-4 may deliver liquor in permissible containers to a
- 18 customer's residence, office, or designated location. ~~This delivery may~~
- 19 ~~only be performed by the permit holder or an employee who holds an~~
- 20 ~~employee permit.~~ The permit holder shall maintain a written record of
- 21 each delivery for at least one (1) year that shows the customer's name,
- 22 location of delivery, and quantity sold.
- 23 (d) A liquor dealer may not sell or deliver alcoholic beverages or
- 24 any other item through a window in the licensed premises to a patron
- 25 who is outside the licensed premises. However, a liquor dealer that is
- 26 a drug store may sell prescription drugs and health and beauty aids
- 27 through a window in the licensed premises to a patron who is outside
- 28 the licensed premises."
- 29 Page 21, delete lines 20 through 42.
- 30 Delete pages 22 through 24.
- 31 Page 25, delete lines 1 through 14.
- 32 Page 25, line 22, after "house." insert "**This delivery may only be**
- 33 **performed by the permit holder or an employee who holds an**
- 34 **employee permit. The permit holder shall maintain a written**
- 35 **record of each delivery for at least one (1) year that shows the**
- 36 **customer's name, location of delivery, and quantity sold."**
- 37 Page 25, line 31, delete "A wine retailer that delivers wine to a".
- 38 Page 25, delete lines 32 through 42.
- 39 Page 26, delete lines 1 through 18.
- 40 Page 26, delete lines 29 through 42, begin a new paragraph and
- 41 insert:
- 42 "SECTION 42. IC 7.1-3-20-29, AS ADDED BY P.L.285-2019,

1 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 29. (a) As used in this section, "food hall"
3 means the premises:

- 4 (1) located within a retail shopping and food service district; and
- 5 (2) to which a master permit is issued under this section.

6 (b) As used in this section, "master permit" means a food hall master
7 permit issued under this section.

8 (c) **Except as provided in subsection (d)**, the commission may
9 issue a master permit, which is a three-way retailer's permit for on
10 premises consumption, to a food hall located in a retail shopping and
11 food service district that meets the following requirements:

12 (1) The district consists of an area that:

- 13 (A) has been redeveloped, renovated, or environmentally
14 remediated in part with grants from the federal, state, or local
15 government under IC 36-7-11; and

16 (B) is entirely located within an incorporated city or town.

17 (2) The district consists of land and a building or group of
18 buildings that are part of a common development.

19 (3) The district is located within a locally designated historic
20 district under IC 36-7-11 established by a city or town ordinance.

21 (4) The district contains at least one (1) building that:

- 22 (A) is on the list of the National Register for Historic Places or
23 qualifies as a historic building worthy of preservation under
24 IC 36-7-11; and

25 (B) has been approved for present commercial use by the local
26 historic preservation commission of the city or town.

27 **(d) Subsection (c)(3) and (c)(4) does not apply to a food hall**
28 **that:**

29 **(1) is located within a certified technology park established**
30 **under IC 36-7-32; and**

31 **(2) operates within a previously vacant building that was or**
32 **a complex of buildings that were:**

33 **(A) placed in service at least twenty-five (25) years prior to**
34 **the redevelopment of the building or buildings; and**

35 **(B) owned by a unit of local government or a public**
36 **charitable trust prior to redevelopment.**

37 ~~(d)~~ (e) The commission may issue a master permit to the owner or
38 developer of a food hall. The food hall constitutes a single permit
39 premises that:

- 40 (1) contains not less than seven (7) distinct, nonaffiliated retail
41 food and beverage vendors, each of which may apply for a food
42 hall vendor permit under section 30 of this chapter; and

- 1 (2) has a seating capacity of the type traditionally designed for
 2 food and drink for at least one hundred (100) people.
- 3 ~~(e)~~ (f) An applicant for a master permit shall post notice and appear
 4 in front of the local board in which the permit premises is situated. The
 5 local board shall determine the eligibility of the applicant under this
 6 section and hear evidence in support of or against the master permit
 7 location. A master permit may not be transferred to a location outside
 8 the food hall permit premises. A permit that is inactive for more than
 9 six (6) months shall revert back to the commission or may be deposited
 10 with the commission under IC 7.1-3-1.1 with the commission's
 11 permission.
- 12 ~~(f)~~ (g) A master permit authorized by this section may be issued
 13 without regard to the proximity provisions of IC 7.1-3-21-11 or the
 14 quota provisions of IC 7.1-3-22."
- 15 Delete page 27.
 16 Page 28, delete lines 1 through 22.
 17 Page 30, delete lines 33 through 42.
 18 Delete page 31.
 19 Page 32, delete lines 1 through 32.
 20 Page 33, delete lines 8 through 42.
 21 Delete page 34.
 22 Page 35, delete lines 1 through 8.
 23 Page 35, between lines 16 and 17, begin a new line block indented
 24 and insert:
 25 **"(3) Insert liquor manufactured by the artisan distiller into a**
 26 **container."**
- 27 Page 35, line 17, strike "(3)" and insert "(4)".
 28 Page 35, line 20, strike "(4)" and insert "(5)".
 29 Page 35, line 24, strike "(5)" and insert "(6)".
 30 Page 35, line 25, after "bottle," insert "**container**".
 31 Page 35, line 26, delete "Notwithstanding".
 32 Page 35, delete lines 27 through 32.
 33 Page 35, line 33, strike "(6)" and insert "(7)".
 34 Page 35, line 36, strike "(7)" and insert "(8)".
 35 Page 35, line 39, strike "(8)" and insert "(9)".
 36 Page 36, line 10, strike "(9)" and insert "**(10)**".
 37 Page 36, delete lines 30 through 42.
 38 Page 37, delete lines 1 through 18.
 39 Page 37, line 23, delete "(a)(3) must" and insert "**(a)(4) must**".
 40 Page 37, line 23, after "regulations" delete ".".
 41 Page 37, line 24, reset in roman "and".
 42 Page 37, line 24, reset in roman "must not be used for any purposes

1 except for the storage of".

2 Page 37, line 25, reset in roman "liquor.".

3 Page 37, line 25, delete "An artisan distiller may transfer liquor
4 from a separate".

5 Page 37, delete lines 26 through 34.

6 Page 37, delete lines 41 through 42.

7 Delete pages 38 through 40.

8 Page 41, delete lines 1 through 32, begin a new paragraph and
9 insert:

10 "SECTION 63. IC 7.1-4-3-7 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) All sales of
12 alcoholic beverages made by a primary source of supply to a liquor
13 wholesaler shall at the time of the sale be accompanied by an invoice
14 that must show the following:

15 (1) The name and address of the seller and the purchaser.

16 (2) The date of disposition.

17 (3) The name or names of each brand sold.

18 (4) The number of packages, if any.

19 (5) The number of cases by size of bottle **or container**.

20 (6) The quantity of each kind of alcoholic beverage sold.

21 (b) The primary source of supply shall send a copy of the invoice to
22 the department of revenue and the commission at the time of the sale.".

23 Page 42, delete lines 19 through 42, begin a new paragraph and
24 insert:

25 "SECTION 64. IC 7.1-5-1-1, AS AMENDED BY P.L.32-2019,
26 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 2021]: Sec. 1. (a) It is unlawful for a person to manufacture
28 for sale, bottle, **insert into a container**, sell, barter, import, transport,
29 deliver, furnish, or possess, alcohol or alcoholic beverages, malt, malt
30 syrup, malt extract, liquid malt or wort, for commercial purposes
31 except as authorized in this title.

32 (b) A person who knowingly or intentionally violates this section
33 commits a Class C infraction. However, the violation is a Class B
34 misdemeanor if the person has a prior unrelated adjudication or
35 conviction for a violation of this section within the previous five (5)
36 years.

37 SECTION 65. IC 7.1-5-5-7, AS AMENDED BY P.L.159-2014,
38 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2021]: Sec. 7. (a) It is unlawful for a permittee in a sale or
40 contract to sell alcoholic beverages to discriminate between purchasers
41 by granting a price, discount, allowance, or service charge which is not
42 available to all purchasers at the same time. However, this section does

1 not authorize or require a permittee to sell to a person to whom the
2 permittee is not authorized to sell under this title.

3 (b) A premises that operates at least two (2) restaurants that are
4 separate and distinct from each other on the same premises may
5 provide for a different schedule of prices in each restaurant if each
6 restaurant conforms to all other laws and rules of the commission
7 regarding pricing and price discrimination in its separate and distinct
8 areas.

9 (c) This section does not apply to the holder of a gaming site permit
10 that complies with IC 7.1-3-17.5-6.

11 (d) Notwithstanding subsection (a), a beer wholesaler may offer a
12 special discount price to a beer dealer or beer retailer for beer or
13 flavored malt beverage, if the beer or flavored malt beverage:

14 (1) is a brand or package the beer wholesaler has discontinued; or

15 (2) will expire in not more than:

16 (A) twenty (20) days for packaged beer or packaged flavored
17 malt beverage; and

18 (B) ten (10) days for draft beer or draft flavored malt beverage.

19 (e) The special discount under subsection (d) only applies to beer or
20 flavored malt beverage that will expire and be subject to removal from
21 retailer or dealer shelves in accordance with the primary source of
22 supply's coding data clearly identified on the container.

23 (f) Any beer or flavored malt beverage sold at a special discount
24 price under subsection (d) shall be accompanied by an invoice clearly
25 designating, in addition to all other information required by law, all the
26 following information:

27 (1) The date of delivery.

28 (2) The expiration date of each brand, package type, and quantity
29 delivered.

30 (3) The per unit price for each package.

31 **(g) Notwithstanding subsection (a), a wholesaler may offer a**
32 **channel price (as defined in IC 7.1-1-3-9.3) to a retailer if the**
33 **following conditions are met:**

34 **(1) The channel price and product name must be clearly and**
35 **separately noted on the invoice for the sale of the channel**
36 **priced product.**

37 **(2) A retailer may only offer a channel priced product for**
38 **consumption on the licensed premises.**

39 **(3) Channel priced products must be listed on the wholesaler's**
40 **price sheet and offered in a nondiscriminatory manner to all**
41 **retailers.**

42 **(4) A wholesaler must annually submit to the commission, by**

1 **January 1, a list of all products sold for a channel price**
2 **during the previous twelve (12) month period. This list must**
3 **contain the following:**

- 4 **(A) The name of the channel priced product.**
- 5 **(B) The price for which the channel priced product was**
6 **sold.**
- 7 **(C) The price for which the same product, in the same**
8 **quantity, would have been sold without a channel price.**
- 9 **(5) A wholesaler may not offer a channel price to a retailer**
10 **who participates in a group purchasing agreement under**
11 **IC 7.1-2-3-32.**

12 ~~(g)~~ **(h) A person who knowingly or intentionally violates this section**
13 **commits a Class B misdemeanor."**

14 Delete pages 43 through 45.

15 Re-number all SECTIONS consecutively.

(Reference is to HB 1396 as reprinted February 17, 2021.)

and when so amended that said bill do pass .

Committee Vote: Yeas 10, Nays 0.

Senator Alting, Chairperson