

# HOUSE BILL No. 1281

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-33; IC 7.1-1; IC 7.1-2-3; IC 7.1-3; IC 7.1-3.1; IC 7.1-3.2; IC 7.1-5; IC 24-3-6-11; IC 35-52-7.

**Synopsis:** Simplification of alcohol laws. Modifies the general purpose section of Indiana Code Title 7.1. Reduces the number of alcohol permit types to seven. Allows the sale of alcoholic beverages every day. Requires the alcohol and tobacco commission (commission) to adopt rules concerning certain issues. Prohibits the commission from regulating the sale of beer, wine, and liquor based on the temperature of the beer, wine, and liquor. Prohibits the commission from requiring a bar or restaurant to maintain a physical barrier to separate people based on their age. Provides that permits are valid for three years. Repeals sections that restrict or prohibit minors from being present where alcohol is sold, served, or produced. Repeals certain alcohol related crimes. Repeals certain alcohol advertising statutes. Repeals a crime concerning crystalline or powdered alcohol. Repeals a crime concerning providing alcohol to a person without requiring the person to provide their identification. Makes it a Class D infraction for a minor to knowingly: (1) possess an alcoholic beverage; (2) consume an alcoholic beverage; or (3) transport an alcoholic beverage on a public highway when not accompanied by a parent or guardian. Requires the legislative services agency to prepare legislation for introduction in the 2019 regular session of the general assembly to correct statutes affected by this act.

**Effective:** July 1, 2018; July 1, 2019.

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January 11, 2018, read first time and referred to Committee on Public Policy.

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Second Regular Session of the 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

# HOUSE BILL No. 1281

A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-33-19-2, AS ADDED BY P.L.227-2007,  
2 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2019]: Sec. 2. As used in this chapter, "licensed entity" means  
4 a person holding:

- 5 (1) a charity gaming license issued under IC 4-32.2;
- 6 (2) a retail merchant's certificate issued under IC 6-2.5-8;
- 7 (3) a tobacco sales certificate issued under ~~IC 7.1-3-18.5;~~
- 8 **IC 7.1-3.2-6;** or
- 9 (4) an alcoholic beverage permit issued under IC 7.1-3.

10 SECTION 2. IC 4-33-19-6, AS AMENDED BY P.L.94-2008,  
11 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 JULY 1, 2019]: Sec. 6. The division shall, on behalf of the department  
13 of state revenue or the alcohol and tobacco commission, conduct a  
14 license revocation action against a licensed entity for any revocation  
15 action authorized by any of the following statutes:

- 16 (1) IC 6-2.5-8-7(g).
- 17 (2) ~~IC 7.1-3-18.5.~~ **IC 7.1-3.2-6.**



1           ~~(3) IC 7.1-3-23-2(b).~~

2           ~~(4) IC 7.1-3-23-5 with respect to a violation of IC 35-45-5-3,~~  
3           ~~IC 35-45-5-3.5, or IC 35-45-5-4.~~

4           SECTION 3. IC 4-33-20-10, AS ADDED BY P.L.227-2007,  
5           SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6           JULY 1, 2019]: Sec. 10. A gaming control officer shall investigate a  
7           suspected violation of IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4  
8           by a person holding any of the following:

9           (1) A retail merchant's certificate issued under IC 6-2.5-8.

10          (2) A tobacco sales certificate issued under ~~IC 7.1-3-18.5.~~  
11          **IC 7.1-3.2-6.**

12          (3) An alcoholic beverage permit issued under ~~IC 7.1-3.~~  
13          **IC 7.1-3.2.**

14          SECTION 4. IC 7.1-1-1-1 IS AMENDED TO READ AS  
15          FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. The following are  
16          the general purposes of this title:

17          (1) To protect the economic welfare, health, peace, and morals of  
18          the people of this state.

19          (2) To regulate ~~and limit~~ the manufacture, sale, possession, and  
20          use of alcohol and alcoholic beverages **using common sense**  
21          **regulations.**

22          **(3) To promote free market principles in the sale of alcoholic**  
23          **beverages.**

24          ~~(3) (4)~~ (4) To regulate the sale, possession, and distribution of  
25          tobacco products.

26          ~~(4) (5)~~ (5) To provide for the raising of revenue.

27          SECTION 5. IC 7.1-1-3-5.5, AS AMENDED BY P.L.176-2015,  
28          SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
29          JULY 1, 2019]: Sec. 5.5. (a) "Applicant", for purposes of ~~IC 7.1-3-18.5;~~  
30          **IC 7.1-3.2-6**, means a person who applies for a tobacco sales  
31          certificate.

32          (b) "Applicant", for purposes of IC 7.1-7, has the meaning set forth  
33          in IC 7.1-7-2-2.

34          SECTION 6. IC 7.1-1-3-8.5 IS AMENDED TO READ AS  
35          FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 8.5. "Certificate" means  
36          a tobacco sales certificate for purposes of ~~IC 7.1-3-18.5.~~ **IC 7.1-3.2-6.**

37          SECTION 7. IC 7.1-1-3-47.5, AS AMENDED BY P.L.60-2016,  
38          SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39          JULY 1, 2019]: Sec. 47.5. (a) "Tobacco product", except as provided  
40          in subsection (b), has the meaning set forth in IC 7.1-6-1-3.

41          (b) "Tobacco product", for purposes of ~~IC 7.1-3-18.5;~~ **IC 7.1-3.2-6**,  
42          means a product that:



- 1 (1) contains tobacco, including e-liquid (as defined by  
 2 IC 7.1-7-2-10) that contains nicotine; and  
 3 (2) is intended for human consumption.

4 SECTION 8. IC 7.1-2-3-10, AS AMENDED BY P.L.94-2008,  
 5 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2019]: Sec. 10. (a) The commission shall have the power to  
 7 investigate the violation of a provision of this title and of the rules and  
 8 regulations of the commission and to report its findings to the  
 9 prosecuting attorney or the grand jury of the county in which the  
 10 violation occurred, or to the attorney general.

11 (b) The commission shall enter a memorandum of understanding  
 12 with the Indiana gaming commission authorizing the commission's  
 13 unlawful gaming enforcement division to conduct revocation actions  
 14 resulting from suspected violations of IC 35-45-5-3, IC 35-45-5-3.5, or  
 15 IC 35-45-5-4 as authorized by the following statutes:

- 16 ~~(1) IC 7.1-3-18.5; IC 7.1-3.2-6.~~  
 17 ~~(2) IC 7.1-3-23-2(b);~~  
 18 ~~(3) IC 7.1-3-23-5.~~

19 (c) A memorandum of understanding entered into under this section  
 20 must comply with the requirements of IC 4-33-19-8.

21 (d) The memorandum of understanding required by this section  
 22 must be entered into before January 1, 2008.

23 SECTION 9. IC 7.1-2-3-16 IS REPEALED [EFFECTIVE JULY 1,  
 24 2019]. Sec. 16. (a) The commission shall have the power to regulate  
 25 and prohibit advertising, signs, displays, posters, and designs intended  
 26 to advertise an alcoholic beverage or the place where alcoholic  
 27 beverages are sold.

28 (b) The commission shall not exercise the prohibition power  
 29 contained in subsection (a); as to any advertisement appearing in a  
 30 newspaper which:

- 31 (1) is published at least once a week;  
 32 (2) regularly publishes information of current news interest to the  
 33 community; and  
 34 (3) circulates generally to the public in any part of this state;  
 35 regardless of where printed.

36 However, a newspaper shall not include publications devoted to special  
 37 interests such as labor, religious, fraternal, society, or trade  
 38 publications or journals, or publications owned or issued by political  
 39 organizations or parties.

40 (c) The commission shall not exercise the prohibition power  
 41 contained in subsection (a) as to any advertisement broadcast over duly  
 42 licensed radio and television stations.



1 (d) All advertisements relating to alcoholic beverages, whether  
2 published in a newspaper or broadcast over radio or television, shall  
3 conform to the rules and regulations of the commission.

4 (e) The commission shall not exercise the prohibition power  
5 contained in subsection (a) as to advertising in the official program of  
6 the Indianapolis 500 Race or the Madison Regatta, Inc., Hydroplane  
7 Race.

8 (f) Notwithstanding any other law, the commission may not prohibit  
9 the use of an illuminated sign advertising alcoholic beverages by brand  
10 name that is displayed within the interior or on the exterior of the  
11 premises covered by the permit, regardless of whether the sign is  
12 illuminated constantly or intermittently. However, it is unlawful for a  
13 primary source of supply or a wholesaler of alcoholic beverages to sell,  
14 give, supply, furnish, or grant to, or maintain for a retail or dealer  
15 permittee an illuminated advertising sign in a manner that violates the  
16 trade practice restrictions of the commission or this title. It is unlawful  
17 for a retail or dealer permittee to receive, accept, display, or permit to  
18 be displayed, an illuminated advertising sign sold, given, supplied,  
19 furnished, granted, or maintained in violation of this subsection. Unless  
20 otherwise stated, when a recipient receives an illuminated sign, the  
21 illuminated sign becomes the property and responsibility of the  
22 recipient.

23 (g) The commission may not prohibit the advertisement of:

24 (1) alcoholic beverages; or

25 (2) a place where alcoholic beverages may be obtained;  
26 in a program, scorecard, handbill, throw-away newspaper, or menu;  
27 however, those advertisements must conform to the rules of the  
28 commission.

29 SECTION 10. IC 7.1-2-3-16.5 IS REPEALED [EFFECTIVE JULY  
30 1, 2019]. Sec. 16.5: (a) As used in this section, "facility" includes the  
31 following:

32 (1) A facility to which IC 7.1-3-1-25(a) applies.

33 (2) A tract that contains a premises that is described in  
34 IC 7.1-3-1-14(e)(2).

35 (3) A horse track or satellite facility to which IC 7.1-3-17.7  
36 applies.

37 (4) A riverboat or racetrack to which IC 7.1-3-17.5 applies.

38 (5) A tract that contains an entertainment complex.

39 (b) As used in this section, "tract" has the meaning set forth in  
40 IC 6-1.1-1-22.5.

41 (c) A facility may advertise alcoholic beverages:

42 (1) in the facility's interior; or



1 (2) on the facility's exterior.

2 (d) The commission may not exercise the prohibition power  
3 contained in section 16(a) of this chapter on advertising by a brewer,  
4 distiller, rectifier, or vintner in or on a facility.

5 (e) Notwithstanding IC 7.1-5-5-10 and IC 7.1-5-5-11, a facility may  
6 provide advertising to a permittee that is a brewer, an artisan distiller,  
7 a distiller, a rectifier, or a vintner in exchange for compensation from  
8 that permittee.

9 SECTION 11. IC 7.1-3 IS REPEALED [EFFECTIVE JULY 1,  
10 2019]. (Permits).

11 SECTION 12. IC 7.1-3.1 IS ADDED TO THE INDIANA CODE AS  
12 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
13 2019]:

14 **ARTICLE 3.1. RULES**

15 **Chapter 1. Rules and Emergency Rules**

16 **Sec. 1. The commission is not subject to any rule making**  
17 **moratorium.**

18 **Sec. 2. The commission shall adopt rules under IC 4-22-2,**  
19 **including emergency rules under IC 4-22-2-37.1, to implement this**  
20 **title.**

21 **Sec. 3. (a) The commission shall provide guidance concerning**  
22 **the rules it has adopted on its Internet web site.**

23 **(b) The commission may not provide private interpretations of**  
24 **the rules it has adopted.**

25 SECTION 13. IC 7.1-3.2 IS ADDED TO THE INDIANA CODE AS  
26 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
27 2019]:

28 **ARTICLE 3.2. PERMITS**

29 **Chapter 1. General Provisions**

30 **Sec. 1. The commission may issue only the types of permits**  
31 **authorized by this article subject to the applicable provisions of**  
32 **this title.**

33 **Sec. 2. A permittee does not have any property right in a**  
34 **wholesaler's, retailer's, or dealer's permit of any type.**

35 **Sec. 3. A permit of any type issued by the commission is in force**  
36 **for three (3) calendar years only, including the day upon which it**  
37 **is granted. At the end of the three (3) year period, the permit is**  
38 **fully expired and void.**

39 **Sec. 4. A permittee to whom a retailer or dealer permit has been**  
40 **issued under this title may deposit that permit with the commission**  
41 **for a period of one (1) year if the permittee is unable to**  
42 **immediately operate the business to which the permit applies. The**



1 commission may extend the term of the deposit for not more than  
2 four (4) additional one (1) year periods if the permittee is able to  
3 show to the satisfaction of the commission that the permittee is  
4 making a good faith effort to put the permit into operation.

5 **Sec. 5.** The commission shall issue a permit authorized by this  
6 title only upon proper application. The application must be in  
7 writing, and verified, upon forms prescribed and furnished by the  
8 commission. The application must contain the terms and  
9 information required by this title or by the rules and regulations of  
10 the commission. The appropriate surety bond, if one is required,  
11 also shall be submitted with the application.

12 **Sec. 6. (a)** Except as provided in subsection (b), an application  
13 for a permit to sell alcoholic beverages of any kind, and the  
14 required publication of notice, must disclose the name of the  
15 applicant and the specific address where the alcoholic beverages  
16 are to be sold, and any assumed business name under which the  
17 business will be conducted. The application and notice also must  
18 disclose the names and addresses of the president and secretary of  
19 the corporation, club, association, or organization who will be  
20 responsible to the public for the sale of the alcoholic beverages if  
21 the applicant is a corporation, club, association, or other type of  
22 organization.

23 **(b)** An application for a permit may be processed by the  
24 commission while the location of the permit premises is pending  
25 upon a showing of need by the permit applicant. Any permit issued  
26 by the commission while the location of the permit premises is  
27 pending shall be placed immediately into escrow upon approval of  
28 the permit by the commission. If a permit issued by the commission  
29 is placed into escrow under this subsection, the applicant must  
30 appear before the local board for approval of the applicant. Before  
31 making a permit in escrow active, the permittee must appear  
32 before the local board for approval of the location.

33 **Sec. 7.** The commission shall post a notice of all applications for  
34 permits on its Internet web site.

35 **Sec. 8.** The commission shall adopt rules concerning:

- 36 (1) permit fees;
- 37 (2) which persons may dispense alcohol or alcoholic beverages  
38 and are exempt from having to obtain a permit;
- 39 (3) alcohol server training programs;
- 40 (4) online and self-study server courses;
- 41 (5) charity gaming alcoholic beverage prizes;
- 42 (6) charity auctions of alcoholic beverages; and



- 1           (7) tracking of beer kegs.
- 2           **Sec. 9. The commission may not require a bar or restaurant to**  
 3 **maintain a physical barrier to separate people based on age.**
- 4           **Sec. 10. The commission may not regulate the sale of beer, wine,**  
 5 **or liquor based on the temperature of the beer, wine, or liquor.**
- 6           **Chapter 2. Hours of Operation**
- 7           **Sec. 1. It is lawful for an appropriate permittee to sell alcoholic**  
 8 **beverages every day of the week at any time.**
- 9           **Sec. 2. It is lawful for the holder of a valid beer, wine, or liquor**  
 10 **wholesaler's permit to sell to the holder of a valid retailer's permit**  
 11 **or dealer's permit at any time.**
- 12           **Chapter 3. Transportation of Alcoholic Beverages**
- 13           **Sec. 1. The traffic and transportation of alcohol and alcoholic**  
 14 **beverages are subject to the rules of the commission.**
- 15           **Sec. 2. Alcohol and alcoholic beverages shall be transported and**  
 16 **delivered only in containers that are lawful under this title and**  
 17 **permissible under the rules of the commission.**
- 18           **Chapter 4. Display of Permit**
- 19           **Sec. 1. A person to whom a permit has been issued by the**  
 20 **commission shall post and display, and keep posted and displayed,**  
 21 **in the most conspicuous place in the person's licensed premises, the**  
 22 **person's permit to do business.**
- 23           **Chapter 5. Issuance of Permits**
- 24           **Sec. 1. The commission shall issue the following permits:**
- 25           (1) On-premises consumption permits.
- 26           (2) Beer, wine, and liquor carryout permits.
- 27           (3) Alcohol manufacturing permits.
- 28           (4) Temporary beer, wine, and liquor permits.
- 29           (5) Employee permits, including employees who are employed  
 30 as a:
- 31           (A) clerk in a package liquor store;
- 32           (B) waiter, waitress, or server in a bar or restaurant;
- 33           (C) manager of a package liquor store; or
- 34           (D) manager of a bar or restaurant.
- 35           (6) Beer, wine, or liquor distributor permits.
- 36           (7) Salesman permits.
- 37           **Sec. 2. The commission shall not limit alcohol production.**
- 38           **Sec. 3. The commission shall not limit distribution of alcohol or**  
 39 **alcoholic beverages.**
- 40           **Chapter 6. Tobacco Sales Certificate**
- 41           **Sec. 1. (a) A person may not sell or otherwise distribute in**  
 42 **exchange for consideration a tobacco product or electronic**





1 cigarette at retail without a valid tobacco sales certificate issued by  
2 the commission.

3 (b) A certificate may be issued only to a person who owns or  
4 operates at least one (1) of the following:

5 (1) A premises consisting of a permanent building or structure  
6 where the tobacco products or electronic cigarettes are sold  
7 or distributed.

8 (2) A premises upon which a cigarette vending machine (as  
9 defined by IC 35-43-4-7) is located.

10 Sec. 2. (a) A person who desires a tobacco sales certificate must  
11 provide the following to the commission:

12 (1) The applicant's name and mailing address and the address  
13 of the premises for which the certificate is sought.

14 (2) Except as provided in section 7(c) of this chapter, a fee of  
15 two hundred dollars (\$200).

16 (3) The name under which the applicant transacts or intends  
17 to transact business.

18 (4) The address of the applicant's principal place of business  
19 or headquarters, if any.

20 (5) The statement required under section 3 of this chapter.

21 (b) A separate certificate is required for each location where  
22 tobacco products or electronic cigarettes are sold or distributed.

23 (c) A certificate holder shall conspicuously display the holder's  
24 certificate on the holder's premises where tobacco products or  
25 electronic cigarettes are sold or distributed.

26 (d) Any intentional misstatement or suppression of a material  
27 fact in an application filed under this section constitutes grounds  
28 for denial of the certificate.

29 (e) A certificate may be issued only to a person who meets the  
30 following requirements:

31 (1) If the person is an individual, the person must be at least  
32 eighteen (18) years of age.

33 (2) The person must be authorized to do business in Indiana.

34 (f) The fees collected under this section shall be deposited in the  
35 enforcement and administration fund under IC 7.1-4-10.

36 Sec. 3. An application for a tobacco sales certificate must  
37 contain the express statement of the applicant that the applicant  
38 consents for the duration of the certificate term (if the commission  
39 issues the certificate to the applicant) to the entrance, inspection,  
40 and search by an enforcement officer, without a warrant or other  
41 process, of the applicant's retail premises to determine whether the  
42 applicant is complying with the provisions of this title. The consent



1 required by this section is renewed and continued by the retention  
 2 of a certificate or the certificate's use by the applicant or the  
 3 applicant's agents.

4 Sec. 4. (a) A certificate issued by the commission under this  
 5 chapter must contain the following information:

- 6 (1) The certificate number.  
 7 (2) The certificate holder's name.  
 8 (3) The permanent location of the business or vending  
 9 machine for which the certificate is issued.  
 10 (4) The expiration date of the certificate.

11 (b) A certificate is:

- 12 (1) valid for three (3) years after the date of issuance, unless  
 13 the commission suspends the certificate; and  
 14 (2) nontransferable.

15 Sec. 5. The commission may adopt rules under IC 4-22-2 to  
 16 establish procedures for the issuance, renewal, and reinstatement  
 17 of a tobacco sales certificate.

18 Sec. 6. (a) Subject to subsection (b), the commission may  
 19 suspend the tobacco sales certificate of a person who fails to pay a  
 20 civil penalty imposed for violating IC 35-46-1-10, IC 35-46-1-10.2,  
 21 IC 35-46-1-11, IC 35-46-1-11.2, IC 35-46-1-11.5, IC 35-46-1-11.7,  
 22 or IC 35-46-1-11.8.

23 (b) Before enforcing the imposition of a civil penalty or  
 24 suspending or revoking a certificate under this chapter, the  
 25 commission shall provide written notice of the alleged violation to  
 26 the certificate holder and conduct a hearing. The commission shall  
 27 provide written notice of the civil penalty or suspension or  
 28 revocation of a certificate to the certificate holder.

29 (c) Subject to subsection (b), the commission shall revoke the  
 30 certificate of a person upon a finding by a preponderance of the  
 31 evidence that the person:

- 32 (1) has violated IC 35-45-5-3, IC 35-45-5-3.5, IC 35-45-5-4,  
 33 IC 35-46-1-11, IC 35-46-1-11.2, or IC 35-46-1-11.8;  
 34 (2) has committed habitual illegal sale of tobacco as  
 35 established under IC 35-46-1-10.2(h); or  
 36 (3) has committed habitual illegal entrance by a minor as  
 37 established under IC 35-46-1-11.7(f).

38 Sec. 7. (a) If a tobacco sales certificate has:

- 39 (1) expired; or  
 40 (2) been suspended;

41 the commission may not reinstate or renew the certificate until all  
 42 civil penalties imposed against the certificate holder for violating



1 IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11, IC 35-46-1-11.2,  
2 IC 35-46-1-11.5, IC 35-46-1-11.7, or IC 35-46-1-11.8 have been  
3 paid.

4 (b) The failure to pay a civil penalty described in subsection (a)  
5 is a Class B infraction.

6 (c) If a tobacco sales certificate has been revoked, the  
7 commission may not reinstate or renew the certificate for at least  
8 one hundred eighty (180) days after the date of revocation. The  
9 commission may reinstate or renew the certificate only upon a  
10 reasonable showing by the applicant that the applicant shall:

11 (1) exercise due diligence in the sale of tobacco products or  
12 electronic cigarettes on the applicant's premises where the  
13 tobacco products or electronic cigarettes are sold or  
14 distributed; and

15 (2) properly supervise and train the applicant's employees or  
16 agents in the handling and sale of tobacco products or  
17 electronic cigarettes.

18 If a certificate is reinstated or renewed, the applicant for the  
19 certificate shall pay an application fee of one thousand dollars  
20 (\$1,000).

21 (d) Notwithstanding IC 34-28-5-5(c), civil penalties collected  
22 under this section must be deposited in the Richard D. Doyle youth  
23 tobacco education and enforcement fund established under  
24 IC 7.1-6-2-6.

25 Sec. 8. (a) A person who is required to have a certificate under  
26 this chapter and who sells or distributes tobacco products or  
27 electronic cigarettes without a valid certificate commits a Class A  
28 infraction. Each violation of this section constitutes a separate  
29 offense.

30 (b) Notwithstanding IC 34-28-5-5(c), civil penalties collected  
31 under this section must be deposited in the Richard D. Doyle youth  
32 tobacco education and enforcement fund established under  
33 IC 7.1-6-2-6.

34 Sec. 9. The commission may mitigate civil penalties imposed  
35 against a tobacco sales certificate holder for violating  
36 IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11, IC 35-46-1-11.2,  
37 IC 35-46-1-11.5, IC 35-46-1-11.7, IC 35-46-1-11.8, or any of the  
38 provisions of this chapter if a certificate holder provides a training  
39 program for the certificate holder's employees that includes at  
40 least the following topics:

41 (1) Laws governing the sale of tobacco products and  
42 electronic cigarettes.



- 1           **(2) Methods of recognizing and handling customers who are**
- 2           **less than eighteen (18) years of age.**
- 3           **(3) Procedures for proper examination of identification cards**
- 4           **to verify that customers are less than eighteen (18) years of**
- 5           **age.**

6           **Sec. 10. A tobacco sales certificate holder shall exercise due**  
 7 **diligence in the supervision and training of the certificate holder's**  
 8 **employees or agents in the handling and sale of tobacco products**  
 9 **and electronic cigarettes on the holder's retail premises. Proof that**  
 10 **employees or agents of the certificate holder, while in the scope of**  
 11 **their employment, committed at least six (6) violations relating to**  
 12 **IC 35-46-1-10.2(a) in any one hundred eighty (180) day period is**  
 13 **prima facie evidence of a lack of due diligence by the certificate**  
 14 **holder in the supervision and training of the certificate holder's**  
 15 **employees or agents.**

16           **Sec. 11. (a) If a tobacco sales certificate holder fails to attend or**  
 17 **participate in a hearing without good cause, the hearing judge may**  
 18 **recommend to the commission that the commission suspend or**  
 19 **revoke the certificate holder's certificate or impose a fine on the**  
 20 **certificate holder of up to one thousand dollars (\$1,000).**

21           **(b) A hearing judge may grant a continuance of a hearing upon**  
 22 **written motion showing good cause for the continuance.**

23           **Sec. 12. If a tobacco sales certificate holder sells or distributes**  
 24 **tobacco products or electronic cigarettes at a location:**

- 25           **(1) determined to be a public nuisance; or**
- 26           **(2) at which conduct or acts that are crimes or infractions**
- 27           **under IC 35 occur;**

28 **the commission may impose sanctions against the certificate holder**  
 29 **under IC 7.1-2-3-33 and section 7 of this chapter.**

30           **SECTION 14. IC 7.1-5-1-1 IS REPEALED [EFFECTIVE JULY 1,**  
 31 **2019]. Sec. 1. (a) It is unlawful for a person to manufacture for sale;**  
 32 **bottle, sell, barter, import, transport, deliver, furnish, or possess;**  
 33 **alcohol or alcoholic beverages; malt, malt syrup, malt extract, liquid**  
 34 **malt or wort, for commercial purposes except as authorized in this title.**

35           **(b) A person who knowingly or intentionally violates this section**  
 36 **commits a Class B misdemeanor.**

37           **SECTION 15. IC 7.1-5-2 IS REPEALED [EFFECTIVE JULY 1,**  
 38 **2019]. (Advertising).**

39           **SECTION 16. IC 7.1-5-6-1 IS REPEALED [EFFECTIVE JULY 1,**  
 40 **2019]. Sec. 1. (a) It is a Class C misdemeanor for a person to**  
 41 **knowingly own, have in the person's possession or under the person's**  
 42 **control, or use a still or distilling apparatus for the manufacture of**



1 liquor, except as otherwise provided in this title:

2 (b) It is a Class C misdemeanor for a person to knowingly own, have  
3 in the person's possession or under the person's control, or use brewing  
4 or wine-making apparatus, for the manufacture for commercial  
5 purposes of beer or wine, except as otherwise provided in this title:

6 SECTION 17. IC 7.1-5-6-2 IS REPEALED [EFFECTIVE JULY 1,  
7 2019]. Sec. 2: (a) It is unlawful for a person to act as a salesman,  
8 regardless of whether the sale is to be made by a seller within this state,  
9 to a buyer within or without this state, or by a seller outside this state  
10 for delivery to a buyer within this state; or whether the sale otherwise  
11 may be legal or illegal, unless that person has applied for and been  
12 issued a salesman's permit:

13 (b) It is unlawful for a buyer in this state to give an order, bargain,  
14 contract, or agreement to a salesman who does not have a salesman's  
15 permit. This section does not apply to a permittee of any type, a  
16 permittee's agent, or employees working or acting on the licensed  
17 premises of the permittee:

18 (c) A person who knowingly or intentionally violates this section  
19 commits a Class B misdemeanor:

20 SECTION 18. IC 7.1-5-7-7, AS AMENDED BY P.L.159-2014,  
21 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
22 JULY 1, 2018]: Sec. 7. (a) Subject to IC 7.1-5-1-6.5, it is a Class C  
23 misdemeanor **Class D infraction** for a minor to knowingly:

- 24 (1) possess an alcoholic beverage;  
25 (2) consume an alcoholic beverage; or  
26 (3) transport an alcoholic beverage on a public highway when not  
27 accompanied by at least one (1) of the minor's parents or  
28 guardians.

29 (b) If a minor is found to have violated subsection (a)(2) or (a)(3)  
30 while operating a vehicle, the court may order the minor's driving  
31 privileges suspended for up to one (1) year. However, if the minor is  
32 less than eighteen (18) years of age, the court shall order the minor's  
33 driving privileges suspended for at least sixty (60) days.

34 (c) The court shall deliver any order suspending a minor's driving  
35 privileges under this section to the bureau of motor vehicles, which  
36 shall suspend the minor's driving privileges under IC 9-24-18-12.2 for  
37 the period ordered by the court.

38 SECTION 19. IC 7.1-5-7-9 IS REPEALED [EFFECTIVE JULY 1,  
39 2018]. Sec. 9: (a) It is a Class C infraction for a parent, guardian,  
40 trustee, or other person having custody of a child under eighteen (18)  
41 years of age to take that child into a tavern, bar, or other public place  
42 where alcoholic beverages are sold, bartered, exchanged, given away;



1 provided, or furnished:

2 (b) It is a Class C infraction for a permittee to permit the parent;  
3 guardian, trustee, or other person having custody of the child under  
4 eighteen (18) years of age to be in or around the prohibited place with  
5 the child.

6 SECTION 20. IC 7.1-5-7-10 IS REPEALED [EFFECTIVE JULY  
7 1, 2018]. Sec. 10. (a) It is a Class C infraction for a minor to knowingly  
8 or intentionally be in a tavern, bar, or other public place where  
9 alcoholic beverages are sold, bartered, exchanged, given away,  
10 provided, or furnished:

11 (b) It is a Class C misdemeanor for a permittee to recklessly permit  
12 a minor to be in the prohibited place beyond a reasonable time in which  
13 an ordinary prudent person can check identification to confirm the age  
14 of a patron.

15 SECTION 21. IC 7.1-5-7-11 IS REPEALED [EFFECTIVE JULY  
16 1, 2019]. Sec. 11. (a) The provisions of sections 9 and 10 of this  
17 chapter shall not apply if the public place involved is one (1) of the  
18 following:

19 (1) Civic center:

20 (2) Convention center:

21 (3) Sports arena:

22 (4) Bowling center:

23 (5) Bona fide club:

24 (6) Drug store:

25 (7) Grocery store:

26 (8) Boat:

27 (9) Dining car:

28 (10) Pullman car:

29 (11) Club car:

30 (12) Passenger airplane:

31 (13) Horse racetrack facility holding a recognized meeting permit  
32 under IC 4-31-5.

33 (14) Satellite facility (as defined in IC 4-31-2-20.5):

34 (15) Catering hall under IC 7.1-3-20-24 that is not open to the  
35 public:

36 (16) That part of a restaurant which is separate from a room in  
37 which is located a bar over which alcoholic beverages are sold or  
38 dispensed by the drink:

39 (17) Entertainment complex:

40 (18) Indoor golf facility:

41 (19) A recreational facility such as a golf course, bowling center,  
42 or similar facility that has the recreational activity and not the sale



- 1 of food and beverages as the principal purpose or function of the  
 2 person's business.
- 3 (20) A licensed premises owned or operated by a postsecondary  
 4 educational institution described in IC 21-17-6-1.
- 5 (21) An automobile racetrack.
- 6 (22) An indoor theater under IC 7.1-3-20-26.
- 7 (23) A senior residence facility campus (as defined in  
 8 IC 7.1-3-1-29(c)) at which alcoholic beverages are given or  
 9 furnished as provided under IC 7.1-3-1-29.
- 10 (24) A hotel other than a part of a hotel that is a room in a  
 11 restaurant in which a bar is located over which alcoholic  
 12 beverages are sold or dispensed by the drink.
- 13 (25) The location of an allowable event to which IC 7.1-3-6.1  
 14 applies.
- 15 (26) The location of a charity auction to which IC 7.1-3-6.2  
 16 applies.
- 17 (27) A farm winery and any additional locations of the farm  
 18 winery under IC 7.1-3-12, if the minor is in the company of a  
 19 parent, legal guardian or custodian, or family member who is at  
 20 least twenty-one (21) years of age.
- 21 (28) An artisan distillery under IC 7.1-3-27, if:
- 22 (A) the person who holds the artisan distiller's permit also  
 23 holds a farm winery permit under IC 7.1-3-12; and
- 24 (B) the minor is in the company of a parent, legal guardian or  
 25 custodian, or family member who is at least twenty-one (21)  
 26 years of age.
- 27 (b) For the purpose of this subsection, "food" means meals prepared  
 28 on the licensed premises. It is lawful for a minor to be on licensed  
 29 premises in a room in which is located a bar over which alcoholic  
 30 beverages are sold or dispensed by the drink if all the following  
 31 conditions are met:
- 32 (1) The minor is eighteen (18) years of age or older.
- 33 (2) The minor is in the company of a parent, guardian, or family  
 34 member who is twenty-one (21) years of age or older.
- 35 (3) The purpose for being on the licensed premises is the  
 36 consumption of food and not the consumption of alcoholic  
 37 beverages.
- 38 SECTION 22. IC 7.1-5-7-13, AS AMENDED BY P.L.270-2017,  
 39 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JULY 1, 2019]: Sec. 13. (a) Section 12 of this chapter does not prohibit  
 41 the following:
- 42 (1) The employment of a person at least eighteen (18) years of age



1 but less than twenty-one (21) years of age on or about licensed  
 2 premises where alcoholic beverages are sold, furnished, or given  
 3 away for consumption either on or off the licensed premises, for  
 4 a purpose other than:

- 5 (A) selling;
- 6 (B) furnishing, other than serving;
- 7 (C) consuming; or
- 8 (D) otherwise dealing in;

9 alcoholic beverages.

10 (2) A person at least nineteen (19) years of age but less than  
 11 twenty-one (21) years of age from ringing up a sale of alcoholic  
 12 beverages in the course of the person's employment.

13 (3) A person who is at least nineteen (19) years of age but less  
 14 than twenty-one (21) years of age and who has successfully  
 15 completed an alcohol server training program, ~~certified under~~  
 16 ~~IC 7.1-3-1.5~~ **if the commission has adopted rules concerning**  
 17 **the certification of alcohol server training programs**, from  
 18 serving alcoholic beverages in a dining area or family room of a  
 19 restaurant or hotel:

- 20 (A) in the course of a person's employment as a waiter,  
 21 waitress, or server; and
- 22 (B) under the supervision of a person who:
  - 23 (i) is at least twenty-one (21) years of age;
  - 24 (ii) is present at the restaurant or hotel; and
  - 25 (iii) has successfully completed an alcohol server training  
 26 program, ~~certified under IC 7.1-3-1.5~~ **by if the commission**  
 27 **has adopted rules concerning the certification of alcohol**  
 28 **server training programs.**

29 This subdivision does not allow a person at least nineteen (19)  
 30 years of age but less than twenty-one (21) years of age to be a  
 31 bartender.

32 (4) The employment of a person at least eighteen (18) years of age  
 33 but less than twenty-one (21) years of age on or about licensed  
 34 premises where alcoholic beverages are sold, furnished, or given  
 35 away for consumption either on or off the licensed premises if all  
 36 the following apply:

- 37 (A) The person is employed as an assistant on a delivery truck.
- 38 (B) The person's duties with respect to alcoholic beverages are  
 39 limited to handling alcoholic beverages in connection with the  
 40 loading, unloading, stowing, or storing of alcoholic beverages  
 41 that are being delivered or picked up.
- 42 (C) The person does not sell, furnish, or deal in alcoholic





- 1 beverages in any manner except as expressly permitted under  
 2 clause (B).  
 3 (D) The person acts under the supervision of a driver holding  
 4 a salesman's permit.  
 5 (E) The person does not collect money for the delivery or pick  
 6 up.
- 7 ~~(b) This chapter does not prohibit a person less than twenty-one (21)~~  
 8 ~~years of age from being on the premises of a brewery under~~  
 9 ~~IC 7.1-3-2-7(5), a farm winery, including any additional locations of~~  
 10 ~~the farm winery under IC 7.1-3-12-5, or an artisan distillery under~~  
 11 ~~IC 7.1-3-27-5, if the person is:~~
- 12 ~~(1) the child, stepchild, grandchild, nephew, or niece of an owner~~  
 13 ~~of the:~~
- 14 ~~(A) brewery;~~  
 15 ~~(B) farm winery; or~~  
 16 ~~(C) artisan distiller; and~~
- 17 ~~(2) employed on the premises for a purpose other than:~~
- 18 ~~(A) selling;~~  
 19 ~~(B) furnishing, other than serving;~~  
 20 ~~(C) consuming; or~~  
 21 ~~(D) otherwise dealing in;~~  
 22 ~~alcoholic beverages.~~
- 23 ~~A minor described in this subsection is not required to be accompanied~~  
 24 ~~by a parent, legal guardian or custodian, or family member who is at~~  
 25 ~~least twenty-one (21) years of age while on the premises of the brewery~~  
 26 ~~or farm winery.~~
- 27 SECTION 23. IC 7.1-5-8-4, AS AMENDED BY P.L.153-2015,  
 28 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 29 JULY 1, 2019]: Sec. 4. (a) It is a Class B misdemeanor for a person  
 30 who owns or operates a private or public restaurant or place of public  
 31 or private entertainment to knowingly or intentionally permit another  
 32 person to come into the establishment with an alcoholic beverage for  
 33 sale or gift, or for consumption in the establishment by that person or  
 34 another, or to serve a setup to a person who comes into the  
 35 establishment. However, the provisions of this section do not apply to  
 36 the following:
- 37 (1) A private room hired by a guest of a bona fide club or hotel  
 38 that holds a retail permit.  
 39 (2) A facility that is used in connection with the operation of a  
 40 paved track that is used primarily in the sport of auto racing.  
 41 (3) An outdoor place of public entertainment that:  
 42 (A) has an area of at least four (4) acres and not more than six



- 1 (6) acres;
- 2 (B) is located within one (1) mile of the White River;
- 3 (C) is owned and operated by a nonprofit corporation exempt
- 4 from federal income taxation under Section 501(c)(3) of the
- 5 Internal Revenue Code; and
- 6 (D) is used primarily in connection with live music concerts.
- 7 (b) An establishment operated in violation of this section is declared
- 8 to be a public nuisance and subject to abatement as other public
- 9 nuisances are abated under the provisions of this title.
- 10 (c) This section does not apply to a person who owns or operates a
- 11 private or public restaurant or place of public or private entertainment
- 12 where a qualified organization is conducting:
- 13 (1) an allowable event to which IC 7.1-3-6.1 applies; and the
- 14 alcoholic beverage brought into the establishment is:
- 15 (A) in sealed bottles or cases; and
- 16 (B) donated to or purchased by the qualified organization to be
- 17 offered as a prize in the allowable event; or
- 18 (2) a charity auction to which IC 7.1-3-6.2 applies; and the
- 19 alcoholic beverage brought into the establishment is:
- 20 (A) in sealed bottles or cases; and
- 21 (B) donated to or purchased by the qualified organization to be
- 22 offered for sale in the charity auction.
- 23 SECTION 24. IC 7.1-5-8-11 IS REPEALED [EFFECTIVE JULY
- 24 1, 2018]. Sec. 11: (a) This section does not apply to the possession;
- 25 purchase; or use of powdered or crystalline alcohol for bona fide
- 26 research purposes by any of the following:
- 27 (1) A hospital licensed under IC 16-21.
- 28 (2) The state department of health.
- 29 (3) A state educational institution (as defined in IC 21-7-13-32).
- 30 (4) A private college or university.
- 31 (5) A pharmaceutical or biotechnology company.
- 32 (b) A person who possesses, purchases, sells, offers to sell, or uses
- 33 powdered or crystalline alcohol commits a Class B infraction.
- 34 SECTION 25. IC 7.1-5-10-11 IS REPEALED [EFFECTIVE JULY
- 35 1, 2018]. Sec. 11: (a) It is unlawful for the holder of a beer dealer's
- 36 permit to offer or display for sale, or sell, barter, exchange or give away
- 37 a bottle, can, container, or package of beer that was iced or cooled by
- 38 the permittee before or at the time of the sale, exchange, or gift.
- 39 (b) A person who knowingly or intentionally violates this section
- 40 commits a Class B misdemeanor.
- 41 SECTION 26. IC 7.1-5-10-20, AS AMENDED BY P.L.234-2017,
- 42 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2019]: Sec. 20. (a) It is unlawful for a holder of a retailer's  
2 permit to do any of the following:

3 (1) Sell alcoholic beverages during a portion of the day at a price  
4 that is reduced from the usual, customary, or established price that  
5 the permittee charges during the remainder of that day.

6 (2) (1) Furnish two (2) or more servings of an alcoholic beverage  
7 upon the placing of an order for one (1) serving to one (1) person  
8 for that person's personal consumption.

9 (3) (2) Charge a single price for the required purchase of two (2)  
10 or more servings of an alcoholic beverage.

11 (b) Subsection (a) applies to private clubs but does not apply to  
12 private functions that are not open to the public.

13 (c) Notwithstanding subsection (a)(1); it is lawful for a holder of a  
14 retailer's permit to sell alcoholic beverages during a portion of the day  
15 at a price that is increased from the usual, customary, or established  
16 price that the permittee charges during the remainder of that day as  
17 long as the price increase is charged when the permittee provides paid  
18 live entertainment not incidental to the services customarily provided.

19 (d) (c) Notwithstanding subsection (a) and IC 7.1-5-5-7, it is lawful  
20 for a hotel, in an area of the hotel in which alcoholic beverages are not  
21 sold, to make available to its registered guests and their guests  
22 alcoholic beverages at no additional charge beyond what is to be paid  
23 by the registered guests as the room rate.

24 (e) (d) A person who knowingly or intentionally violates this section  
25 commits a Class B misdemeanor.

26 SECTION 27. IC 7.1-5-10-23 IS REPEALED [EFFECTIVE JULY  
27 1, 2018]. Sec. 23: It is a Class B misdemeanor for a permittee or an  
28 employee or agent of a permittee to recklessly, knowingly, or  
29 intentionally sell, barter, exchange, provide, or furnish another person  
30 who is or reasonably appears to be less than forty (40) years of age an  
31 alcoholic beverage for consumption off the licensed premises without  
32 first requiring the person to produce:

33 (1) a driver's license;

34 (2) an identification card issued under IC 9-24-16-1 or a similar  
35 card issued under the laws of another state or the federal  
36 government; or

37 (3) a government issued document;

38 bearing the person's photograph and birth date showing that the person  
39 is at least twenty-one (21) years of age.

40 SECTION 28. IC 7.1-5-10-24 IS REPEALED [EFFECTIVE JULY  
41 1, 2019]. Sec. 24: (a) This section does not apply to the licensed  
42 premises of a drug store, grocery store, or restaurant to which the



- 1 following apply:
- 2 (1) A person has, as of July 1, 2015, an application on file with
- 3 the commission for a:
- 4 (A) dealer's permit for the drug store or grocery store; and
- 5 (B) retailer's permit for the restaurant.
- 6 (2) The licensed premises of the:
- 7 (A) drug store or grocery store; and
- 8 (B) restaurant;
- 9 as described in the permit applications, are located in the same
- 10 building.
- 11 (b) If:
- 12 (1) a person has an interest in:
- 13 (A) a dealer's permit for a drug store or grocery store; and
- 14 (B) a retailer's permit for a restaurant; and
- 15 (2) the licensed premises of the drug store or grocery store and the
- 16 restaurant are located in the same building;
- 17 the licensed premises of the drug store or grocery store and the licensed
- 18 premises of the restaurant must be completely separated by a wall and
- 19 have separate entrances:
- 20 SECTION 29. IC 7.1-5-10-25 IS REPEALED [EFFECTIVE JULY
- 21 1, 2019]. Sec. 25: If:
- 22 (1) a person has an interest in:
- 23 (A) a dealer's permit for a drug store or grocery store; and
- 24 (B) a retailer's permit for a restaurant; and
- 25 (2) the licensed premises of the drug store or grocery store and the
- 26 restaurant are located in the same building;
- 27 beer, wine, and liquor may not be sold for carryout from the licensed
- 28 premises of the restaurant:
- 29 SECTION 30. IC 7.1-5-11-16 IS REPEALED [EFFECTIVE JULY
- 30 1, 2018]. Sec. 16: It is a Class C misdemeanor for a person to
- 31 knowingly or intentionally deliver or transport an alcoholic beverage
- 32 to the holder of a retailer's or dealer's permit of any type, except a
- 33 temporary beer or wine permit, on Sunday:
- 34 SECTION 31. IC 7.1-5-12-5, AS AMENDED BY P.L.231-2015,
- 35 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 36 JULY 1, 2019]: Sec. 5. (a) Except as provided in subsection (c) and
- 37 subject to section 13 of this chapter, smoking may be allowed in the
- 38 following:
- 39 (1) A horse racing facility operated under a permit under
- 40 IC 4-31-5 and any other permanent structure on land owned or
- 41 leased by the owner of the facility that is adjacent to the facility.
- 42 (2) A riverboat (as defined in IC 4-33-2-17) and any other



- 1 permanent structure that is:
- 2 (A) owned or leased by the owner of the riverboat; and
- 3 (B) located on land that is adjacent to:
- 4 (i) the dock to which the riverboat is moored; or
- 5 (ii) the land on which the riverboat is situated in the case of
- 6 a riverboat described in IC 4-33-2-17(2).
- 7 (3) A facility that operates under a gambling game license under
- 8 IC 4-35-5 and any other permanent structure on land owned or
- 9 leased by the owner of the facility that is adjacent to the facility.
- 10 (4) A satellite facility licensed under IC 4-31-5.5.
- 11 (5) An establishment owned or leased by a business that meets the
- 12 following requirements:
- 13 (A) The business was in business and permitted smoking on
- 14 December 31, 2012.
- 15 (B) The business prohibits entry by an individual who is less
- 16 than twenty-one (21) years of age.
- 17 (C) The owner or operator of the business holds a beer, liquor,
- 18 or wine retailer's permit.
- 19 (D) The business limits smoking in the establishment to
- 20 smoking with a waterpipe or hookah device.
- 21 (E) During the preceding calendar year, at least ten percent
- 22 (10%) of the business's annual gross income was from the sale
- 23 of loose tobacco for use in a waterpipe or hookah device.
- 24 (F) The person in charge of the business posts in the
- 25 establishment conspicuous signs that display the message that
- 26 cigarette smoking is prohibited.
- 27 (6) An establishment owned or leased by a business that meets the
- 28 following requirements:
- 29 (A) The business prohibits entry by an individual who is less
- 30 than twenty-one (21) years of age.
- 31 (B) The owner or operator of the business holds a beer, liquor,
- 32 or wine retailer's permit.
- 33 (C) The business limits smoking in the establishment to cigar
- 34 smoking.
- 35 (D) During the preceding calendar year, at least ten percent
- 36 (10%) of the business's annual gross income was from the sale
- 37 of cigars and the rental of onsite humidors.
- 38 (E) The person in charge of the business posts in the
- 39 establishment conspicuous signs that display the message that
- 40 cigarette smoking is prohibited.
- 41 (7) A premises owned or leased by and regularly used for the
- 42 activities of a business that meets all of the following:



- 1 (A) The business is exempt from federal income taxation  
 2 under 26 U.S.C. 501(c).  
 3 ~~(B) The business:~~  
 4 (i) ~~meets the requirements to be considered a club under~~  
 5 ~~IC 7.1-3-20-1; or~~  
 6 (ii) ~~is a fraternal club (as defined in IC 7.1-3-20-7);~~  
 7 ~~(B) The business provides food or alcoholic beverages~~  
 8 ~~only to its bona fide members and their guests.~~  
 9 ~~(C) The business:~~  
 10 (i) provides a separate, enclosed, designated smoking room  
 11 or area that is adequately ventilated to prevent migration of  
 12 smoke to nonsmoking areas of the premises;  
 13 (ii) allows smoking only in the room or area described in  
 14 item (i);  
 15 (iii) does not allow an individual who is less than eighteen  
 16 (18) years of age to enter into the room or area described in  
 17 item (i); and  
 18 (iv) allows a guest in the smoking room or area described in  
 19 item (i) only when accompanied by a bona fide member of  
 20 the business.  
 21 (8) A retail tobacco store used primarily for the sale of tobacco  
 22 products and tobacco accessories that meets the following  
 23 requirements:  
 24 (A) The owner or operator of the store holds a valid tobacco  
 25 sales certificate issued under ~~IC 7.1-3-18.5; IC 7.1-3.2-6.~~  
 26 (B) The store prohibits entry by an individual who is less than  
 27 eighteen (18) years of age.  
 28 (C) The sale of products other than tobacco products and  
 29 tobacco accessories is merely incidental.  
 30 (D) The sale of tobacco products accounts for at least  
 31 eighty-five percent (85%) of the store's annual gross sales.  
 32 (E) Food or beverages are not sold in a manner that requires  
 33 consumption on the premises, and there is not an area set aside  
 34 for customers to consume food or beverages on the premises.  
 35 (9) A bar or tavern:  
 36 ~~(A) for which a permittee holds:~~  
 37 (i) ~~a beer retailer's permit under IC 7.1-3-4;~~  
 38 (ii) ~~a liquor retailer's permit under IC 7.1-3-9; or~~  
 39 (iii) ~~a wine retailer's permit under IC 7.1-3-14;~~  
 40 ~~(B) (A) that does not employ an individual who is less than~~  
 41 ~~eighteen (18) years of age;~~  
 42 ~~(B) that does not allow an individual who:~~



- 1 (i) is less than twenty-one (21) years of age; and  
 2 (ii) is not an employee of the bar or tavern;  
 3 to enter any area of the bar or tavern; and  
 4 ~~(D)~~ (C) that is not located in a business that would otherwise  
 5 be subject to this chapter.  
 6 (10) A cigar manufacturing facility that does not offer retail sales.  
 7 (11) A premises of a cigar specialty store to which all of the  
 8 following apply:  
 9 (A) The owner or operator of the store holds a valid tobacco  
 10 sales certificate issued under ~~IC 7-1-3-18.5~~ **IC 7.1-3.2-6**.  
 11 (B) The sale of tobacco products and tobacco accessories  
 12 account for at least fifty percent (50%) of the store's annual  
 13 gross sales.  
 14 (C) The store has a separate, enclosed, designated smoking  
 15 room that is adequately ventilated to prevent migration of  
 16 smoke to nonsmoking areas.  
 17 (D) Smoking is allowed only in the room described in clause  
 18 (C).  
 19 (E) Individuals who are less than eighteen (18) years of age are  
 20 prohibited from entering into the room described in clause (C).  
 21 (F) Cigarette smoking is not allowed on the premises of the  
 22 store.  
 23 (G) The owner or operator of the store posts a conspicuous  
 24 sign on the premises of the store that displays the message that  
 25 cigarette smoking is prohibited.  
 26 (H) The store does not prepare any food or beverage that  
 27 would require a certified food handler under IC 16-42-5.2.  
 28 (12) The premises of a business that is located in the business  
 29 owner's private residence (as defined in IC 3-5-2-42.5) if the only  
 30 employees of the business who work in the residence are the  
 31 owner and other individuals who reside in the residence.  
 32 (b) The owner, operator, manager, or official in charge of an  
 33 establishment or premises in which smoking is allowed under this  
 34 section shall post conspicuous signs in the establishment that read  
 35 "WARNING: Smoking Is Allowed In This Establishment" or other  
 36 similar language.  
 37 (c) This section does not allow smoking in the following enclosed  
 38 areas of an establishment or premises described in subsection (a)(1)  
 39 through (a)(11):  
 40 (1) Any hallway, elevator, or other common area where an  
 41 individual who is less than eighteen (18) years of age is permitted.  
 42 (2) Any room that is intended for use by an individual who is less



1 than eighteen (18) years of age.

2 (d) The owner, operator, or manager of an establishment or premises  
3 that is listed under subsection (a) and that allows smoking shall provide  
4 a verified statement to the commission that states that the establishment  
5 or premises qualifies for the exemption. The commission may require  
6 the owner, operator, or manager of an establishment or premises to  
7 provide documentation or additional information concerning the  
8 exemption of the establishment or premises.

9 SECTION 32. IC 24-3-6-11, AS ADDED BY P.L.160-2005,  
10 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
11 JULY 1, 2019]: Sec. 11. (a) A manufacturer or an importer may sell  
12 cigarettes in Indiana only to a distributor or a licensed importer.

13 (b) A manufacturer that sells cigarettes to a licensed importer under  
14 subsection (a) must be a licensed manufacturer.

15 (c) A distributor may sell cigarettes only to a distributor or a retailer.

16 (d) A distributor may obtain cigarettes only from another distributor,  
17 a licensed importer, or a licensed manufacturer.

18 (e) Except as provided in subsection (f), a retailer may obtain  
19 cigarettes only from a distributor.

20 (f) A retailer that is a holder of a certificate issued under  
21 ~~IC 7-1-3-18.5~~ **IC 7.1-3.2-6** may purchase up to one thousand dollars  
22 (\$1,000) of cigarettes per week from another retailer that holds a  
23 certificate issued under ~~IC 7-1-3-18.5~~ **IC 7.1-3.2-6**.

24 SECTION 33. IC 35-52-7-18 IS REPEALED [EFFECTIVE JULY  
25 1, 2019]. ~~Sec. 18: IC 7-1-5-2-3 defines a crime concerning signs.~~

26 SECTION 34. IC 35-52-7-19 IS REPEALED [EFFECTIVE JULY  
27 1, 2019]. ~~Sec. 19: IC 7-1-5-2-7 defines a crime concerning signs.~~

28 SECTION 35. IC 35-52-7-34 IS REPEALED [EFFECTIVE JULY  
29 1, 2019]. ~~Sec. 34: IC 7-1-5-6-1 defines a crime concerning alcohol.~~

30 SECTION 36. IC 35-52-7-35 IS REPEALED [EFFECTIVE JULY  
31 1, 2019]. ~~Sec. 35: IC 7-1-5-6-2 defines a crime concerning sales.~~

32 SECTION 37. IC 35-52-7-41 IS REPEALED [EFFECTIVE JULY  
33 1, 2019]. ~~Sec. 41: IC 7-1-5-7-10 defines a crime concerning alcohol.~~

34 SECTION 38. IC 35-52-7-71 IS REPEALED [EFFECTIVE JULY  
35 1, 2019]. ~~Sec. 71: IC 7-1-5-10-11 defines a crime concerning sales.~~

36 SECTION 39. IC 35-52-7-79 IS REPEALED [EFFECTIVE JULY  
37 1, 2018]. ~~Sec. 79: IC 7-1-5-10-23 defines a crime concerning alcohol.~~

38 SECTION 40. IC 35-52-7-96 IS REPEALED [EFFECTIVE JULY  
39 1, 2019]. ~~Sec. 96: IC 7-1-5-11-16 defines a crime concerning alcohol.~~

40 SECTION 41. [EFFECTIVE JULY 1, 2018] **(a) The legislative**  
41 **services agency shall prepare legislation for introduction in the**  
42 **2019 regular session of the general assembly to correct statutes**





1 affected by this act.  
2 (b) This SECTION expires July 1, 2019.

