

HOUSE BILL No. 1396

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-1-3-16.5; IC 7.1-2-3; IC 7.1-3; IC 7.1-4-9-7; IC 7.1-5-7-13; IC 36-3-2-7; IC 36-4-3-22.1.

Synopsis: Alcoholic beverages and tobacco. Makes the following changes to IC 7.1: (1) Provides that the alcohol and tobacco commission (commission) has additional powers with regard to tobacco. (2) Allows the holder of a food hall vendor's permit and a retailer's permit who also holds a permit for a small brewery, a farm winery, or an artisan distillery (craft manufacturer) to sell carryout alcoholic beverages at the retailer's permit premises that are produced under the craft manufacturer's permit. (3) Amends the definition of "entertainment complex" to include a venue with permanent seating for at least 600 (instead of 800) persons. (4) Removes the requirement that the department of local government finance consent to the continuation of a permittee's business by the permittee's heir. (5) Requires the disclosure of the names of the officers of a corporation or other entity applying for a permit in a published notice or Internet web site. (6) Eliminates the requirement of a public meeting for making an initial request to the commission to deposit a permit in escrow. (7) Requires certain permit applicants to provide documentary evidence of United States citizenship or lawful entry into the United States. (8) Requires a municipality to notify the chairman of the commission of any retailer or dealer premises annexed into the municipality, in order to ensure the correct distribution of excise funds. (9) Establishes requirements in order for a liquor to be advertised or labeled Indiana rye whiskey. (10) With certain exceptions, requires a permit applicant to provide the name and address of each person or entity holding at least a 2% interest in the permit and business. (11) Allows a craft manufacturer to locate near a school or church if the church or school does not object. (12) (Continued next page)

Effective: Upon passage; July 1, 2021.

Smaltz, Clere

January 14, 2021, read first time and referred to Committee on Public Policy.



Digest Continued

Eliminates Indiana residency requirements for retailers, dealers, and brewers. (13) Provides for "grab and go stores" in convention centers or other locations that are accessible only by ticketed event attendees and provide self-service sales of individual alcoholic beverage servings in addition to sales of food and nonalcoholic beverages. (14) Allows a retailer, small brewery, farm winery, or artisan distillery to deliver alcoholic beverages to a customer in the parking lot or an adjacent area. (15) Allows a small brewery, farm winery, and artisan distillery to sell and deliver alcoholic beverages to a wholesaler directly from a separate storage building. (16) Allows certain farm wineries and artisan distilleries to directly distribute a limited amount of wine and liquor to the holder of the appropriate retailer's or dealer's permit. (17) Repeals provisions that require an artisan distiller's permit applicant to hold another manufacturer permit and that establish requirements for applicants who, as of January 1, 2014, do not hold another manufacturer's permit. (18) Allows wine to be sold and distributed in a can or other permissible container. (19) Requires alcoholic beverage quotas for permits in Indianapolis to be based on the population located within Marion County and outside the excluded cities of Beech Grove, Lawrence, and Southport and the excluded town of Speedway. (Current law provides that quotas for permits in the consolidated city are based on the population of the consolidated city's fire special service district.) Makes stylistic changes.



Introduced

First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

HOUSE BILL No. 1396

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 7.1-1-3-16.5, AS AMENDED BY P.L.285-2019,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2021]: Sec. 16.5. The term "entertainment complex" means a
4 premises that complies with one (1) or more of the following
5 requirements:
6 (1) The premises:
7 (A) is a site for the performance of musical, theatrical, or other
8 entertainment; and
9 (B) includes an area where at least ~~eight~~ **six** hundred ~~(800)~~
10 **(600)** individuals may be seated at one (1) time in permanent
11 seating.
12 (2) The premises:
13 (A) is located entirely within a one (1) mile radius of the
14 center of a consolidated city;
15 (B) is used by a nonprofit organization primarily for the



1 professional performance of musical or theatrical
2 entertainment; and

3 (C) has audience seating in one (1) or more performance
4 spaces for at least two hundred (200) individuals.

5 SECTION 2. IC 7.1-2-3-3 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. ~~Forms~~. The
7 commission, in accordance with IC 5-15-5.1, shall have the power to
8 prescribe the forms for all applications, permits, licenses, **certificates**,
9 and other documents and records used in the administration of this title.

10 SECTION 3. IC 7.1-2-3-7 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. ~~Rules and~~
12 ~~Regulations~~. The commission shall have the power to promulgate rules
13 and regulations governing **the following**:

14 (a) ~~(1)~~ (1) The conduct of the meetings and business of the
15 commission.

16 (b) ~~(2)~~ (2) The conduct of hearings before any of the commission's
17 representatives.

18 (c) ~~(3)~~ (3) The conduct of the business of a permittee **or certificate**
19 **holder** authorized or governed by the provisions of this title.

20 (d) ~~(4)~~ (4) The enforcement of the provisions of this title and of the
21 rules and regulations of the commission.

22 (e) ~~(5)~~ (5) The standards of purity and methods of manufacturing
23 used in the production of alcohol and alcoholic beverages.

24 (f) ~~(6)~~ (6) The prevention of misbranding or adulteration of alcohol
25 or alcoholic beverages. ~~and~~

26 (g) ~~(7)~~ (7) The prevention of fraud, evasion, trickery, or deceit in the
27 manufacture, labeling, importation, advertisement, transportation,
28 or sale of alcohol or alcoholic beverages, or the evasion of other
29 laws of Indiana relating to alcohol or alcoholic beverages.

30 SECTION 4. IC 7.1-2-3-9 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. ~~Permits~~. The
32 commission shall have the discretionary authority to issue, deny,
33 suspend, revoke, or not renew all permits **and certificates** authorized
34 by this title, unless the exercise of discretion or authority is limited by
35 applicable provisions of this title.

36 SECTION 5. IC 7.1-2-3-11 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. ~~Emergencies~~. The
38 commission shall have the power to prohibit the sale, transportation, or
39 movement of alcoholic beverages **or tobacco** when, in the judgment of
40 the commission, it is necessary during a time of public emergency, civil
41 disturbance, riot, or epidemic. The prohibition may be imposed without
42 prior notice or advertisement and may be continued in force as long as



1 the need continues.

2 SECTION 6. IC 7.1-2-3-22 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 22. ~~Regulation of~~
 4 ~~Business Relationships~~. The commission shall have the power to
 5 ascertain the business relationships, including ~~non-alcoholic~~
 6 **nonalcoholic** beverage business relationships, between permittees **or**
 7 **certificate holders** under this title. The commission shall have the
 8 power to regulate or prohibit a practice, relationship, or dealing by or
 9 between permittees **or certificate holders**, which in the judgment of
 10 the commission is inimical to or a violation of a provision of this title
 11 or of a rule or regulation of the commission. The commission may take
 12 action in these matters by rule or regulation or by individual order upon
 13 hearing after five (5) days notice to the effected permittee **or**
 14 **certificate holder**.

15 SECTION 7. IC 7.1-3-1-5, AS AMENDED BY P.L.285-2019,
 16 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2021]: Sec. 5. (a) Except as provided in subsection (b), an
 18 application for a permit to sell alcoholic beverages of any kind, and the
 19 required publication of notice, shall disclose the name of the applicant
 20 and the specific address where the alcoholic beverages are to be sold,
 21 and any assumed business name under which the business will be
 22 conducted. The application and notice also shall disclose:

- 23 (1) the names ~~and addresses~~ of the president and secretary of the
 24 corporation, club, association, or organization who will be
 25 responsible to the public for the sale of the alcoholic beverage if
 26 the applicant is a corporation, club, association, or other type of
 27 organization; **or**
 28 (2) **the Internet web site where a member of the public may**
 29 **access the information in subdivision (1).**

30 (b) An application for a permit may be processed by the commission
 31 while the location of the permit premises is pending, upon a showing
 32 of need by the permit applicant. Any permit issued by the commission
 33 while the location of the permit premises is pending shall be placed
 34 immediately on deposit with the commission under IC 7.1-3-1-3.5
 35 (before July 1, 2019) or (after June 30, 2019) IC 7.1-3-1.1 upon
 36 approval of the permit by the commission. If a permit issued by the
 37 commission is deposited with the commission under this subsection:

- 38 (1) the applicant must go before the local board for approval of
 39 the applicant; and
 40 (2) before making the permit active, the permittee must go before
 41 the local board for approval of the location.

42 SECTION 8. IC 7.1-3-1-5.5, AS AMENDED BY P.L.10-2010,



1 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2021]: Sec. 5.5. (a) This section applies only in a county
3 having a consolidated city.

4 (b) As used in this section, "contiguous property owner" refers to a
5 property owner who has real property that is geographically adjacent
6 to or in contact with any point on the border of the property of a person
7 who seeks a permit to sell alcoholic beverages for consumption on the
8 licensed premises.

9 (c) As used in this section, "neighboring property owner" means:

10 (1) a contiguous property owner; or

11 (2) a property owner who has real property that:

12 (A) is geographically adjacent to or in contact with any point
13 on the border of the property of a contiguous property owner;
14 and

15 (B) some portion of which is within five hundred (500) feet of
16 the property of a person who seeks a permit to sell alcoholic
17 beverages for consumption on the licensed premises.

18 (d) As used in this section, "principal owner" means any person or
19 entity holding at least a fifteen percent (15%) interest in the business
20 for which a permit is sought to sell alcoholic beverages.

21 (e) As used in this section, "property owner" means any person
22 whose name and address appears in the county assessor's real property
23 tax assessment records as a person responsible for the payment of
24 property taxes on a parcel of real property.

25 (f) Except as provided in section 28(d) of this chapter, subsection
26 (g) applies to a location in the consolidated city only if ~~(1) the~~
27 ~~application is for a liquor dealer's permit for a location within the~~
28 ~~boundaries of the special fire service district, as determined in~~
29 ~~conformity with IC 7.1-3-22-8; or (2) the local alcoholic beverage~~
30 ~~board requires the applicant to comply with subsection (g).~~

31 (g) In addition to the notice required by section 5 of this chapter, the
32 applicant for a new permit, or a transfer of a permit to sell alcoholic
33 beverages of any type or at any location must, at least fifteen (15) days
34 before the date of the local alcoholic beverage board hearing, mail
35 notice of the hearing at the applicant's expense to the following:

36 (1) Each neighboring property owner.

37 (2) The department of metropolitan development of the
38 consolidated city.

39 (3) The following entities that have registered with the
40 department of metropolitan development of the consolidated city:

41 (A) The principal, headmaster, or other primary administrator
42 of each public, private, or parochial elementary or secondary



- 1 school located less than one thousand (1,000) feet from the
 2 property line of the applicant's property.
- 3 (B) Each church that is located less than one thousand (1,000)
 4 feet from the property line of the applicant's property.
- 5 (C) Each neighborhood association that represents the area in
 6 which the applicant's property is located.
- 7 (h) The notice that the applicant mails must provide the following
 8 information:
- 9 (1) The name and address of the applicant, or if the applicant is
 10 a corporation, a club, an association, or an organization, the name
 11 and address of the applicant's president, secretary, and principal
 12 owners who will be responsible to the public for the sale of
 13 alcoholic beverages.
- 14 (2) A statement that the applicant has filed an application with the
 15 alcohol and tobacco commission for the sale of alcoholic
 16 beverages.
- 17 (3) The specific address where alcoholic beverages are asked to
 18 be sold.
- 19 (4) The type of alcoholic beverage permit applied for.
- 20 (5) The date, time, and location of the public hearing before the
 21 local alcoholic beverage board regarding the application.
- 22 (6) That if there is a desire to remonstrate against the application,
 23 the recipient of the notice may attend this public hearing.
- 24 (i) The applicant shall furnish evidence of the applicant's
 25 compliance with this section by filing an affidavit with the local
 26 alcoholic beverage board at the public hearing on the application. The
 27 affidavit must list the names and addresses of the individuals or other
 28 entities to which notice was mailed by the applicant.
- 29 (j) In addition to the information required by subsection (i), the
 30 applicant shall file with the local alcoholic beverage board at the public
 31 hearing the following information:
- 32 (1) Verification from a department of the consolidated city
 33 designated by ordinance that the applicant is in compliance with
 34 zoning requirements for the premises to be licensed.
- 35 (2) Verification from the department of state revenue that the
 36 applicant does not have any outstanding income tax, excise tax,
 37 or sales tax liabilities.
- 38 (3) Verification from the county treasurer that the applicant does
 39 not have any outstanding property tax liability.
- 40 (k) Subsection (j)(1) does not apply to a permit holder that received
 41 and held a permit before September 1, 1987.
- 42 (l) Notwithstanding subsection (f)(1), an applicant seeking a transfer



1 of a permit from a permit holder to a new permit holder when the new
 2 permit holder does not intend to change the nature of the business
 3 operated under the permit may apply to the local board for a waiver of
 4 the notice requirement in subsection (g). The local board may consider
 5 any information the local board considers relevant in making a
 6 determination to approve or deny the waiver request. The local board
 7 must approve or deny a waiver request at the first regularly scheduled
 8 meeting that occurs at least fifteen (15) days after the local board
 9 receives the waiver request from the applicant.

10 SECTION 9. IC 7.1-3-1.1-4, AS ADDED BY P.L.285-2019,
 11 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2021]: Sec. 4. This section sets out the procedure for a permit
 13 holder to request deposit of a permit or extension of a term of deposit.
 14 A permit holder must do the following:

15 (1) Submit the permit holder's request for deposit or an extension
 16 of the term of deposit to the commission in writing. A permit
 17 holder must submit a request for extension at least sixty (60) days
 18 before the term of deposit expires.

19 **(2) To make an initial request for deposit of a permit, the**
 20 **permit holder must submit documentation of the following:**

21 **(A) The specific reasons why the business for which the**
 22 **permit was issued is not immediately operational.**

23 **(B) A timetable for making the business and the permit**
 24 **active.**

25 **(C) A detailed statement of the permit holder's efforts to**
 26 **make the business operational and the permit active.**

27 ~~(2)~~ **(3) To request an extension of a term of deposit, the permit**
 28 **holder must** appear at a public meeting of the commission and
 29 provide to the commission's satisfaction an explanation of the
 30 following:

31 (A) The specific reasons why the business for which the
 32 permit was issued is not immediately operational.

33 (B) A timetable for making the business operational and the
 34 permit active.

35 (C) A detailed statement of the permit holder's efforts to make
 36 the business operational and the permit active.

37 ~~(3)~~ **(4) The permit holder shall submit to the commission any**
 38 **other documentation of the permit holder's efforts under**
 39 **subdivision ~~(2)(C); (3)(C), including:~~**

40 (A) contracts for construction or renovation of the permit
 41 premises;

42 (B) zoning applications and approvals; and



- 1 (C) building permits and any other necessary government
 2 approvals.
- 3 ~~(4)~~ **(5)** If the commission approves the permit holder's **initial**
 4 **request for deposit or request for an extension of a term of**
 5 **deposit**, pay any permit renewal fees that are due.
- 6 SECTION 10. IC 7.1-3-2-2, AS AMENDED BY P.L.79-2015,
 7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2021]: Sec. 2. (a) The commission may issue a brewer's
 9 permit for a brewery that manufactures more than ninety thousand
 10 (90,000) barrels of beer in a calendar year for sale or distribution
 11 within Indiana. The commission may issue a brewer's permit under this
 12 subsection for a brewery that manufactures not more than ninety
 13 thousand (90,000) barrels of beer in a calendar year for sale or
 14 distribution within Indiana if the brewer holds more than one (1)
 15 brewer's permit and manufactures, at all of the brewer's breweries
 16 located in Indiana, an aggregate of more than ninety thousand (90,000)
 17 barrels of beer in a calendar year for sale or distribution within Indiana.
 18 The commission may issue a permit under this subsection only to:
 19 (1) an individual;
 20 (2) a partnership; ~~all the partners of which are bona fide residents~~
 21 ~~of Indiana;~~
 22 (3) a limited liability company; ~~all the members of which are bona~~
 23 ~~fide residents of Indiana;~~ or
 24 (4) a corporation organized and existing under the laws of Indiana
 25 and having authority under its charter to manufacture or sell beer.
 26 The permit does not limit the number of barrels of beer in a calendar
 27 year that the brewer may manufacture for sale or distribution outside
 28 Indiana.
- 29 (b) The commission may issue a brewer's permit to a brewer for a
 30 brewery that manufactures not more than ninety thousand (90,000)
 31 barrels of beer in a calendar year for sale or distribution within Indiana.
 32 The commission may issue more than one (1) permit under this
 33 subsection to a brewer if the brewer manufactures, at all of the brewer's
 34 breweries located in Indiana, an aggregate of not more than ninety
 35 thousand (90,000) barrels of beer in a calendar year for sale or
 36 distribution within Indiana. The commission may issue a permit under
 37 this subsection only to:
 38 (1) an individual;
 39 (2) a partnership organized and existing under the laws of
 40 Indiana;
 41 (3) a limited liability company organized and existing under the
 42 laws of Indiana; or



- 1 (4) a corporation organized and existing under the laws of
 2 Indiana.
 3 The permit does not limit the number of barrels of beer in a calendar
 4 year that the brewer may manufacture for sale or distribution outside
 5 Indiana.
 6 SECTION 11. IC 7.1-3-2-7, AS AMENDED BY P.L.285-2019,
 7 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2021]: Sec. 7. The holder of a brewer's permit or an
 9 out-of-state brewer holding either a primary source of supply permit or
 10 an out-of-state brewer's permit may do the following:
 11 (1) Manufacture beer.
 12 (2) Place beer in containers or bottles.
 13 (3) Transport beer.
 14 (4) Sell and deliver beer to a person holding a beer wholesaler's
 15 permit issued under IC 7.1-3-3.
 16 (5) If the brewer manufactures, at all of the brewer's breweries
 17 located in Indiana, an aggregate of not more than ninety thousand
 18 (90,000) barrels of beer in a calendar year for sale or distribution
 19 within Indiana, the permit holder may do the following:
 20 (A) Sell and deliver a total of not more than thirty thousand
 21 (30,000) barrels of beer in a calendar year to a person holding
 22 a retailer or a dealer permit under this title. The total number
 23 of barrels of beer that the permit holder may sell and deliver
 24 under this clause in a calendar year may not exceed thirty
 25 thousand (30,000) barrels of beer.
 26 (B) Be the proprietor of a restaurant that is not subject to the
 27 minimum gross food sales or the minimum projected food
 28 sales set forth in 905 IAC 1-41-2.
 29 (C) Hold a beer retailer's permit, a wine retailer's permit, or a
 30 liquor retailer's permit for a restaurant established under clause
 31 (B).
 32 (D) Transfer beer directly from the brewery to the restaurant
 33 by means of:
 34 (i) bulk containers; or
 35 (ii) a continuous flow system.
 36 (E) Install a window between the brewery and an adjacent
 37 restaurant that allows the public and the permittee to view both
 38 premises.
 39 (F) Install a doorway or other opening between the brewery
 40 and an adjacent restaurant that provides the public and the
 41 permittee with access to both premises.
 42 (G) Sell the brewery's beer by the glass for consumption on the



1 premises. Brewers permitted to sell beer by the glass under
 2 this clause must make food available for consumption on the
 3 premises. A brewer may comply with the requirements of this
 4 clause by doing any of the following:

5 (i) Allowing a vehicle of transportation that is a food
 6 establishment (as defined in IC 16-18-2-137) to serve food
 7 near the brewer's licensed premises.

8 (ii) Placing menus in the brewer's premises of restaurants
 9 that will deliver food to the brewery.

10 (iii) Providing food prepared at the brewery.

11 (H) Sell and deliver beer to a consumer at the ~~permit licensed~~
 12 premises of the brewer or at the residence of the consumer.
 13 **Notwithstanding IC 7.1-1-3-20, the licensed premises may**
 14 **include the brewery parking lot or an area adjacent to the**
 15 **brewery that may only be used for the purpose of**
 16 **conveying alcoholic beverages and other nonalcoholic**
 17 **items to a customer subject to section 10 of this chapter,**
 18 **and may not be used for point of sale purposes or any**
 19 **other purpose.** The delivery to a consumer may be made only
 20 in a quantity at any one (1) time of not more than one-half
 21 (1/2) barrel, but the beer may be contained in bottles or other
 22 permissible containers.

23 (I) Sell the brewery's beer as authorized by this section for
 24 carryout on Sunday in a quantity at any one (1) time of not
 25 more than five hundred seventy-six (576) ounces. A brewer's
 26 beer may be sold under this clause at any address for which the
 27 brewer holds a brewer's permit issued under this chapter if the
 28 address is located within the same city boundaries in which the
 29 beer was manufactured.

30 (J) With the approval of the commission, participate:

31 (i) individually; or

32 (ii) with other permit holders under this chapter, holders of
 33 artisan distiller's permits, holders of farm winery permits, or
 34 any combination of holders described in this item;

35 in a trade show or an exposition at which products of each
 36 permit holder participant are displayed, promoted, and sold.
 37 All of the permit holders may occupy the same tent, structure,
 38 or building. The commission may not grant to a holder of a
 39 permit under this chapter approval under this clause to
 40 participate in a trade show or exposition for more than
 41 forty-five (45) days in a calendar year.

42 (K) Store or condition beer in a secure building that is:



- 1 (i) separate from the brewery; and
- 2 (ii) owned or leased by the permit holder.
- 3 **A brewer may transfer beer from a building described in**
- 4 **this clause back to the brewery.** A brewer may not sell or
- 5 transfer beer directly to a ~~permittee or consumer beer~~
- 6 **wholesaler** from a building described in this clause, **but may**
- 7 **not sell or transfer beer from the building to any other**
- 8 **permittee or a consumer. The brewer shall maintain an**
- 9 **adequate written record of the beer transferred:**
- 10 (i) **between the brewery and the separate building; and**
- 11 (ii) **from the separate building to the wholesaler.**
- 12 (L) Sell the brewery's beer to the holder of a supplemental
- 13 caterer's permit issued under IC 7.1-3-9.5 for on-premises
- 14 consumption only at an event that is held outdoors on property
- 15 that is contiguous to the brewery as approved by the
- 16 commission.
- 17 (M) Receive liquor from the holder of a distiller's permit
- 18 issued under IC 7.1-3-7 or the holder of an artisan distiller's
- 19 permit under IC 7.1-3-27 that is located in the same county as
- 20 the brewery for the purpose of carbonating and canning the
- 21 liquor. Upon the completion of canning of the liquor, the
- 22 product must be returned to the original production facility
- 23 within forty-eight (48) hours. The activity under this clause is
- 24 not an interest under IC 7.1-5-9.
- 25 (6) If the brewer's brewery manufactures more than ninety
- 26 thousand (90,000) barrels of beer in a calendar year for sale or
- 27 distribution within Indiana, the permit holder may own a portion
- 28 of the corporate stock of another brewery that:
- 29 (A) is located in the same county as the brewer's brewery;
- 30 (B) manufactures less than ninety thousand (90,000) barrels of
- 31 beer in a calendar year; and
- 32 (C) is the proprietor of a restaurant that operates under
- 33 subdivision (5).
- 34 (7) Provide complimentary samples of beer that are:
- 35 (A) produced by the brewer; and
- 36 (B) offered to consumers for consumption on the brewer's
- 37 premises.
- 38 (8) Own a portion of the corporate stock of a sports corporation
- 39 that:
- 40 (A) manages a minor league baseball stadium located in the
- 41 same county as the brewer's brewery; and
- 42 (B) holds a beer retailer's permit, a wine retailer's permit, or a



- 1 liquor retailer's permit for a restaurant located in that stadium.
 2 (9) For beer described in IC 7.1-1-2-3(a)(4):
 3 (A) may allow transportation to and consumption of the beer
 4 on the licensed premises; and
 5 (B) may not sell, offer to sell, or allow sale of the beer on the
 6 licensed premises.
- 7 SECTION 12. IC 7.1-3-2-10 IS ADDED TO THE INDIANA CODE
 8 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 9 1, 2021]: **(a) This section applies to a permittee that conveys
 10 alcoholic beverages to a customer in a parking lot or area adjacent
 11 to the brewery as provided under section 7(5)(H) of this chapter.**
- 12 **(b) Alcoholic beverages must be:**
 13 **(1) in sealed containers; and**
 14 **(2) placed by the employee of the permittee:**
 15 **(A) in the trunk of the motor vehicle; or**
 16 **(B) behind the last upright seat of the motor vehicle, if the**
 17 **motor vehicle is not equipped with a trunk.**
- 18 **(c) The parking lot or area where the alcoholic beverages are**
 19 **conveyed to the customer must be:**
 20 **(1) well lit; and**
 21 **(2) within clear view of the main entrance of the brewery**
 22 **building premises.**
- 23 SECTION 13. IC 7.1-3-4-0.1 IS ADDED TO THE INDIANA
 24 CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 25 1, 2021]: **Sec. 0.1. The amendment made to**
 26 **section 2 of this chapter by the 2021 regular session of the general**
 27 **assembly and the addition of section 2.5 of this chapter do not**
 28 **apply to an individual who renews an alcoholic beverage permit**
 29 **after June 30, 2021, that the individual held before July 1, 2021.**
- 30 SECTION 14. IC 7.1-3-4-2, AS AMENDED BY P.L.285-2019,
 31 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2021]: **Sec. 2. (a) The commission shall not issue a beer**
 33 **retailer's permit, except as otherwise authorized in this title and subject**
 34 **to the other restrictions contained in this title, to the following persons:**
 35 **(1) ~~An alien.~~ An individual who is unable to provide the**
 36 **commission with valid documentary evidence of legal**
 37 **presence status within the United States, as provided in**
 38 **section 2.5 of this chapter.**
 39 **(2) A person who is not of good repute in the community in which**
 40 **the person resides.**
 41 **(3) A person who has been convicted within ten (10) years before**
 42 **the date of application of:**



- 1 (A) a federal crime having a sentence of at least one (1) year;
 2 (B) an Indiana Class A, Class B, or Class C felony (for a crime
 3 committed before July 1, 2014) or a Level 1, Level 2, Level 3,
 4 Level 4, or Level 5 felony (for a crime committed after June
 5 30, 2014); or
 6 (C) a crime in a state other than Indiana having a penalty equal
 7 to the penalty for an Indiana Class A, Class B, or Class C
 8 felony (for a crime committed before July 1, 2014) or a Level
 9 1, Level 2, Level 3, Level 4, or Level 5 felony (for a crime
 10 committed after June 30, 2014).
- 11 However, this subdivision does not apply to a conviction that has
 12 been expunged under IC 35-38-9.
- 13 (4) A person who does not own the premises to which the permit
 14 will be applicable, or who does not have a bona fide lease on the
 15 premises for the full period for which the permit is to be issued.
- 16 (5) A law enforcement officer or an officer who is not an elected
 17 officer of a municipal corporation, or governmental subdivision,
 18 or of Indiana, charged with any duty or function in the
 19 enforcement of this title.
- 20 (6) An officer or employee of a person engaged in the alcoholic
 21 beverage traffic, which person is a nonresident of Indiana, or is
 22 engaged in carrying on any phase of the manufacture of, traffic in,
 23 or transportation of alcoholic beverages without a permit under
 24 this title when a permit is required by this title.
- 25 (7) If the permit applicant does not hold a brewer's permit, a
 26 person who leases from a person, or an officer or agent of that
 27 person, who holds a brewer's permit or a beer wholesaler's permit.
- 28 (8) If the permit applicant does not hold a brewer's permit, a
 29 person who is indebted to a person who holds a brewer's permit
 30 or a beer wholesaler's permit, or an officer or agent of that person,
 31 for a debt secured by a lien, mortgage, or otherwise, upon the
 32 premises for which the beer retailer's permit is to be applicable,
 33 or upon any of the property or fixtures on the premises, or used,
 34 or to be used in connection with the premises.
- 35 (9) A person whose place of business is conducted by a manager
 36 or agent, unless the manager or agent possesses the same
 37 qualifications required for the issuance of a beer retailer's permit
 38 to the person.
- 39 (10) A minor.
- 40 (11) A person non compos mentis.
- 41 (12) A person who has held a permit under this title and who has
 42 had that permit revoked within one (1) year prior to the date of



1 application for a beer retailer's permit.

2 (13) A person who has made an application for a permit of any
3 type which has been denied less than one (1) year prior to the
4 person's application for a beer retailer's permit unless the first
5 application was denied by reason of a procedural or technical
6 defect.

7 (14) A person who is not the proprietor of a restaurant located and
8 being operated on the premises described in the application for
9 the beer retailer's permit, or of a hotel, or of a club, owning, or
10 leasing the premises as a part of it. The disqualification contained
11 in this subdivision shall not apply to the qualifications for or
12 affect the privileges to be accorded under a beer dealer's permit
13 or a dining car beer permit.

14 (b) Subsection (a)(10) does not prevent a minor from being a
15 stockholder in a corporation.

16 SECTION 15. IC 7.1-3-4-2.5 IS ADDED TO THE INDIANA
17 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
18 **[EFFECTIVE JULY 1, 2021]: Sec. 2.5. For purposes of section**
19 **2(a)(1) of this chapter, documentary evidence of legal presence**
20 **status in the United States is evidence that an individual:**

21 **(1) is a citizen or national of the United States;**

22 **(2) is an alien lawfully admitted for permanent residence in**
23 **the United States;**

24 **(3) has conditional permanent resident status in the United**
25 **States;**

26 **(4) has an approved application for asylum in the United**
27 **States or has entered into the United States in refugee status;**

28 **(5) is an alien lawfully admitted for temporary residence in**
29 **the United States;**

30 **(6) has a valid unexpired nonimmigrant visa or nonimmigrant**
31 **visa status for entry into the United States;**

32 **(7) has a pending application for asylum in the United States;**

33 **(8) has a pending or approved application for temporary**
34 **protected status in the United States;**

35 **(9) has approved deferred action status; or**

36 **(10) has a pending application for adjustment of status to that**
37 **of an alien lawfully admitted for permanent residence in the**
38 **United States or conditional permanent resident status in the**
39 **United States.**

40 SECTION 16. IC 7.1-3-4-6 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) The holder of a
42 beer retailer's permit shall be entitled to purchase beer for sale under



1 his permit only from a permittee entitled to sell to him under this title.
 2 A beer retailer shall be entitled to possess beer and sell it at retail to a
 3 customer for consumption on the licensed premises. A beer retailer also
 4 shall be entitled to sell beer to a customer and deliver it in permissible
 5 containers to the customer on the licensed premises, or to the
 6 customer's house.

7 (b) A beer retailer shall not be entitled to sell beer at wholesale. He
 8 shall not be entitled to sell and deliver beer on the street or at the curb
 9 outside the licensed premises, nor shall he be entitled to sell beer at a
 10 place other than the licensed premises. However, a beer retailer may
 11 offer food service (excluding alcoholic beverages) to a patron who is
 12 outside the licensed premises by transacting business through a
 13 window in the licensed premises.

14 (c) A beer retailer shall be entitled to sell and deliver warm or cold
 15 beer for carry out, or for at-home delivery, in barrels or other
 16 commercial containers in a quantity that does not exceed fifteen and
 17 one-half (15 1/2) gallons at any one (1) time.

18 **(d) Notwithstanding IC 7.1-1-3-20, the licensed premises of the**
 19 **beer retailer may include the beer retailer parking lot or an area**
 20 **adjacent to the beer retailer that may only be used for the purpose**
 21 **of conveying alcoholic beverages and other nonalcoholic items to**
 22 **a customer, and may not be used for point of sale purposes or any**
 23 **other purpose. Any alcoholic beverages conveyed to the customer**
 24 **must be:**

25 **(1) in the sealed original containers and placed in a bag that**
 26 **is stamped, printed, or labeled on the outside: "CONTAINS**
 27 **ALCOHOLIC BEVERAGES"; and**

28 **(2) placed by the employee of the permittee:**

29 **(A) in the trunk of the motor vehicle; or**

30 **(B) behind the last upright seat of the motor vehicle, if the**
 31 **motor vehicle is not equipped with a trunk.**

32 **A retailer permittee may only convey a customer's order of**
 33 **alcoholic beverages to the customer, if the customer has also**
 34 **purchased a meal from the retailer permittee that is conveyed to**
 35 **the customer at the same time as the alcoholic beverages.**

36 **(e) The parking lot or area where the alcoholic beverages are**
 37 **conveyed to the customer must be:**

38 **(1) well lit; and**

39 **(2) within clear view of the main entrance to the building of**
 40 **the retailer premises.**

41 SECTION 17. IC 7.1-3-5-2, AS AMENDED BY P.L.285-2019,
 42 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2021]: Sec. 2. (a) As used in this section, "proprietor of a
2 package liquor store" means the person that:

3 (1) holds the financial investment in; and

4 (2) exercises the financial and operational oversight of;
5 a package liquor store.

6 (b) The commission may issue a beer dealer's permit only to an
7 applicant who is the proprietor of a drug store, grocery store, or
8 package liquor store.

9 ~~(c) Subject to subsection (d);~~ The commission may issue a beer
10 dealer's permit to an applicant that is a foreign corporation if:

11 (1) the applicant is duly admitted to do business in Indiana;

12 (2) the sale of beer is within the applicant's corporate powers; and

13 (3) the applicant is otherwise qualified under this title.

14 ~~(d) Except as provided under IC 7.1-3-21-5.6, the commission may~~
15 ~~issue a beer dealer's permit under subsection (c) for the premises of a~~
16 ~~package liquor store only if the proprietor of the package liquor store~~
17 ~~satisfies the Indiana resident ownership requirements described in~~
18 ~~IC 7.1-3-21-5(b), IC 7.1-3-21-5.2(b), or IC 7.1-3-21-5.4(b).~~

19 ~~(e) (d)~~ The commission shall not issue a beer dealer's permit to a
20 person who is disqualified under the special disqualifications.
21 However, the special disqualification listed in IC 7.1-3-4-2(a)(14) shall
22 not apply to an applicant for a beer dealer's permit.

23 ~~(f) (e)~~ Notwithstanding subsection (b), the commission may renew
24 a beer dealer's permit for an applicant who:

25 (1) held a permit before July 1, 1997; and

26 (2) is the proprietor of a confectionery or a store that:

27 (A) is not a drug store, grocery store, or package liquor store;

28 (B) is in good repute; and

29 (C) in the judgment of the commission, deals in merchandise
30 that is not incompatible with the sale of beer.

31 SECTION 18. IC 7.1-3-6-2, AS AMENDED BY P.L.285-2019,
32 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2021]: Sec. 2. The commission may issue a temporary beer
34 permit to a person who is qualified to hold a beer retailer's permit and
35 who has such other qualifications as the commission may prescribe by
36 a provisional order until it adopts a rule or regulation on the matter.
37 However, the special disqualifications listed in IC 7.1-3-4-2(a)(4),
38 IC 7.1-3-4-2(a)(9), and IC 7.1-3-4-2(a)(14) ~~and the residency~~
39 ~~requirements provided in IC 7.1-3-21-3;~~ shall not apply to an applicant
40 for a temporary beer permit.

41 SECTION 19. IC 7.1-3-9-9 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. (a) The holder of a



1 liquor retailer's permit shall be entitled to purchase liquor only from a
 2 permittee entitled to sell to him under this title. A liquor retailer shall
 3 be entitled to possess liquor and sell it at retail to a customer for
 4 consumption on the licensed premises. A liquor retailer also shall be
 5 entitled to sell liquor to a customer and deliver it in permissible
 6 containers to the customer on the licensed premises, or to the
 7 customer's house.

8 (b) A liquor retailer shall not be entitled to sell liquor at wholesale.
 9 He shall not be entitled to sell and deliver liquor on the street or at the
 10 curb outside the licensed premises, nor shall he be entitled to sell liquor
 11 at a place other than the licensed premises. However, a liquor retailer
 12 may offer food service (excluding alcoholic beverages) to a patron who
 13 is outside the licensed premises by transacting business through a
 14 window in the licensed premises.

15 (c) A liquor retailer shall not be entitled to sell and deliver liquor for
 16 carry out, or for at-home delivery, in a quantity that exceeds four (4)
 17 quarts at any one (1) time.

18 **(d) Notwithstanding IC 7.1-1-3-20, the licensed premises of the**
 19 **liquor retailer may include the liquor retailer parking lot or an**
 20 **area adjacent to the liquor retailer that may only be used for the**
 21 **purpose of conveying alcoholic beverages and other nonalcoholic**
 22 **items to a customer, and may not be used for point of sale purposes**
 23 **or any other purpose. Any alcoholic beverages conveyed to the**
 24 **customer must be:**

25 **(1) in the sealed original containers and placed in a bag that**
 26 **is stamped, printed, or labeled on the outside: "CONTAINS**
 27 **ALCOHOLIC BEVERAGES"; and**

28 **(2) placed by the employee of the permittee:**

29 **(A) in the trunk of the motor vehicle; or**

30 **(B) behind the last upright seat of the motor vehicle, if the**
 31 **motor vehicle is not equipped with a trunk.**

32 **A retailer permittee may only convey a customer's order of**
 33 **alcoholic beverages to the customer, if the customer has also**
 34 **purchased a meal from the retailer permittee that is conveyed to**
 35 **the customer at the same time as the alcoholic beverages.**

36 **(e) The parking lot or area where the alcoholic beverages are**
 37 **conveyed to the customer must be:**

38 **(1) well lit; and**

39 **(2) within clear view of the main entrance to the building of**
 40 **the retailer premises.**

41 SECTION 20. IC 7.1-3-9-12, AS AMENDED BY P.L.1-2018,
 42 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



- 1 UPON PASSAGE]: Sec. 12. (a) This section applies to:
- 2 (1) the holder of a three-way permit that is issued to a civic
- 3 center, a sports arena, a stadium, an exhibition hall, an
- 4 auditorium, a theater, a tract that contains a premises that is
- 5 described in IC 7.1-3-1-14(d)(2), or a convention center; or
- 6 (2) the holder of a catering permit while catering alcoholic
- 7 beverages at a civic center, a sports arena, a stadium, an
- 8 exhibition hall, an auditorium, a theater, a tract that contains a
- 9 premises that is described in IC 7.1-3-1-14(d)(2), or a convention
- 10 center.
- 11 **(b) As used in this section, "grab and go store" means an area**
- 12 **in a building or facility referred to in subsection (a) that satisfies**
- 13 **all of the following:**
- 14 **(1) The area customarily offers food, alcoholic beverages,**
- 15 **nonalcoholic beverages, and other items for sale.**
- 16 **(2) The area is accessible:**
- 17 **(A) in close proximity or adjacent to the concourse; or**
- 18 **(B) within a restricted access club area;**
- 19 **of the building or facility.**
- 20 **(3) The area is:**
- 21 **(A) delineated by nonpermanent stanchions or some other**
- 22 **barrier providing for clear entrance and exit points; and**
- 23 **(B) indicated on the floor plan approved by the**
- 24 **commission.**
- 25 **(4) The area is accessible only by persons who possess a ticket**
- 26 **to an event held in the building or facility.**
- 27 **The term does not include a suite, restaurant, lounge, or concession**
- 28 **area, even if access to the suite, restaurant, lounge, or concession**
- 29 **area is limited to certain ticket holders. However, a grab and go**
- 30 **store may operate within a restricted access club area that is in**
- 31 **close proximity, adjacent to, or within a restaurant or lounge.**
- 32 ~~(b)~~ **(c) As used in this section, "suite" means an area in a building**
- 33 **or facility referred to in subsection (a) that:**
- 34 **(1) is not accessible to the general public;**
- 35 **(2) has accommodations for not more than seventy-five (75)**
- 36 **persons per suite; and**
- 37 **(3) is accessible only to persons who possess a ticket:**
- 38 **(A) to an event in a building or facility referred to in**
- 39 **subsection (a); and**
- 40 **(B) that entitles the person to occupy the area while viewing**
- 41 **the event described in clause (A).**
- 42 **The term does not include a restaurant, lounge, or concession area,**



1 even if access to the restaurant, lounge, or concession area is limited to
2 certain ticket holders.

3 ~~(e)~~ **(d)** A permittee may allow the self-service of individual servings
4 of alcoholic beverages in a suite **or grab and go store**.

5 ~~(d)~~ **(e)** A person who:

6 (1) possesses a ticket described in subsection ~~(b)(3)~~ **(b)(4) or**
7 **(c)(3)**; and

8 (2) is at least twenty-one (21) years of age;

9 may obtain an alcoholic beverage in a suite **or grab and go store** by
10 self-service.

11 ~~(e)~~ **(f)** A permittee may do any of the following:

12 (1) Demand that a person occupying a suite provide:

13 (A) a written statement under IC 7.1-5-7-4; ~~and or~~

14 (B) identification indicating that the person is at least
15 twenty-one (21) years of age.

16 (2) Supervise the self-service of alcoholic beverages **in the suite**.

17 (3) Have an employee in the suite who **has a valid server**
18 **certificate under IC 7.1-3-1.5** and holds an employee permit
19 under IC 7.1-3-18-9 to serve ~~some or all~~ of the alcoholic
20 beverages.

21 **(g) A permittee shall do the following:**

22 **(1) Require a purchaser to provide proof of age in accordance**
23 **with IC 7.1-5-10-23.**

24 **(2) Ensure all employees in the grab and go store are at least**
25 **twenty-one (21) years of age.**

26 **(3) Have employees supervise the self-service of alcoholic**
27 **beverages.**

28 **(4) Have an employee present in the grab and go store during**
29 **the store's business hours who has a valid server certificate**
30 **under IC 7.1-3-1.5 and holds an employee permit under**
31 **IC 7.1-3-18-9 to sell alcoholic beverages to ensure compliance**
32 **with this title, including compliance with IC 7.1-5-7-8 and**
33 **IC 7.1-5-10-15.**

34 **(5) Sell a purchaser not more than two (2) servings of**
35 **alcoholic beverages at one (1) time.**

36 SECTION 21. IC 7.1-3-12-3, AS AMENDED BY P.L.165-2006,
37 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2021]: Sec. 3. The commission may issue a farm winery
39 permit to a person who:

40 (1) is the proprietor of a farm winery;

41 (2) desires to commercially manufacture wine; and

42 (3) is either:



- 1 (A) an individual; or
- 2 (B) a partnership, limited liability company, or corporation
- 3 domiciled in or admitted to do business in Indiana.
- 4 A farm winery permit shall be valid from July 1, of the then current
- 5 year to June 30, of the following year. ~~IC 7.1-3-21-5 does not apply to~~
- 6 ~~a farm winery permit issued under this chapter.~~
- 7 SECTION 22. IC 7.1-3-12-5, AS AMENDED BY P.L.285-2019,
- 8 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 9 JULY 1, 2021]: Sec. 5. (a) The following apply to the holder of a farm
- 10 winery permit:
- 11 (1) A holder is entitled to manufacture wine and to ~~bottle~~ **place**
- 12 wine produced by the permit holder's farm winery **in bottles or**
- 13 **other permissible containers.**
- 14 (2) A holder is entitled to serve complimentary samples of the
- 15 winery's wine on the licensed premises or an outside area that is
- 16 contiguous to the licensed premises, as approved by the
- 17 commission if each employee who serves wine on the licensed
- 18 premises:
- 19 (A) holds an employee's permit under IC 7.1-3-18-9; and
- 20 (B) completes a server training program approved by the
- 21 commission.
- 22 (3) A holder is entitled to sell the winery's wine on the licensed
- 23 premises to consumers either by:
- 24 (A) the glass;
- 25 (B) the bottle;
- 26 **(C) the can;**
- 27 ~~(D)~~ **(D)** a box that contains a bag designed for storing and
- 28 dispensing wine; or
- 29 ~~(E)~~ **(E)** any combination of receptacles listed in clauses (A)
- 30 through ~~(C)~~: **(D)**.
- 31 **Notwithstanding IC 7.1-1-3-20, the licensed premises may**
- 32 **include the farm winery parking lot or an area adjacent to the**
- 33 **farm winery. The parking lot or adjacent area may only be**
- 34 **used for the purpose of conveying alcoholic beverages and**
- 35 **other nonalcoholic items to a customer subject to section 5.5**
- 36 **of this chapter, and may not be used for point of sale purposes**
- 37 **or any other purpose.**
- 38 (4) A holder is entitled to sell the winery's wine to consumers by
- 39 the bottle at a farmers' market that is operated on a nonprofit
- 40 basis.
- 41 (5) A holder is entitled to sell wine by:
- 42 (A) the bottle;



- 1 **(B) the can;**
 2 ~~(B)~~ **(C)** a box that contains a bag designed for storing and
 3 dispensing wine;
 4 ~~(C)~~ **(D)** bulk container;
 5 ~~(D)~~ **(E)** the case; or
 6 ~~(E)~~ **(F)** any combination of receptacles listed in clauses (A)
 7 through ~~(D)~~; **(E)**;
 8 to a person who is the holder of a permit to sell wine at wholesale.
 9 (6) A holder is exempt from the provisions of IC 7.1-3-14.
 10 (7) A holder is entitled to advertise the name and address of any
 11 retailer or dealer who sells wine produced by the permit holder's
 12 winery.
 13 (8) A holder for wine described in IC 7.1-1-2-3(a)(4):
 14 (A) may allow transportation to and consumption of the wine
 15 on the licensed premises; and
 16 (B) may not sell, offer to sell, or allow the sale of the wine on
 17 the licensed premises.
 18 (9) A holder is entitled to purchase and sell bulk wine as set forth
 19 in this chapter.
 20 (10) A holder is entitled to sell wine as authorized by this section
 21 for carryout on Sunday.
 22 (11) A holder is entitled to sell and ship the farm winery's wine to
 23 a person located in another state in accordance with the laws of
 24 the other state.
 25 (12) A holder is entitled to sell the farm winery's wine to the
 26 holder of a supplemental caterer's permit issued under
 27 IC 7.1-3-9.5 for on-premises consumption only at an event that is
 28 held outdoors on property that is contiguous to the farm winery as
 29 approved by the commission.
 30 (13) A holder is entitled to be the proprietor of a restaurant that is
 31 not subject to the minimum gross food sales or the minimum
 32 projected food sales set forth in 905 IAC 1-41-2 and the gross
 33 retail income requirements to sell carryout under IC 7.1-3-20-9.5.
 34 A holder is entitled to conduct the following activities:
 35 (A) Hold a beer retailer's permit, a wine retailer's permit, or a
 36 liquor retailer's permit for a restaurant.
 37 (B) Transfer wine directly from the farm winery to a restaurant
 38 that the farm winery has an interest in by means of:
 39 (i) bottles **or cans**;
 40 (ii) bulk containers; or
 41 (iii) a continuous flow system.
 42 (C) Install a window between the farm winery and an adjacent



1 restaurant that allows the public and the holder of the permit
2 to view both premises.

3 (D) Install a doorway or other opening between the farm
4 winery and an adjacent restaurant that provides the public and
5 the holder of the permit with access to both the farm winery
6 and restaurant.

7 **(14) A holder is entitled under the farm winery permit, to sell**
8 **and deliver to a person holding a wine retailer or wine dealer**
9 **permit under this title the following:**

10 **(A) A total of not more than one thousand (1,000) gallons**
11 **of the farm winery's wine in a calendar year, if the farm**
12 **winery manufactures not more than three thousand (3,000)**
13 **gallons of wine in a calendar year for sale and distribution**
14 **in Indiana.**

15 **(B) A total of not more than three thousand (3,000) gallons**
16 **of the farm winery's wine in a calendar year, if the farm**
17 **winery manufactures not more than nine thousand (9,000)**
18 **gallons of wine in a calendar year for sale and distribution**
19 **in Indiana.**

20 (b) With the approval of the commission, a holder of a permit under
21 this chapter may conduct business at not more than three (3) additional
22 locations that are separate from the winery. At the additional locations,
23 the holder of a permit may conduct any business that is authorized at
24 the first location, except for ~~the manufacturing wine or bottling of~~
25 **placing wine in bottles or containers.**

26 **(c) A farm winery may transfer wine from a storage facility or**
27 **an additional location described in subsection (b). A farm winery**
28 **may sell or transfer wine directly to a wine wholesaler from a**
29 **storage facility separate from the farm winery or an additional**
30 **location described in subsection (b). A farm winery may not sell or**
31 **transfer wine from a storage facility to any other permittee or a**
32 **consumer. The farm winery shall maintain an adequate written**
33 **record of wine transferred:**

34 **(1) between the farm winery and the storage facility; and**

35 **(2) from the storage facility to the wholesaler.**

36 ~~(d)~~ **(d)** With the approval of the commission, a holder of a permit
37 under this chapter may:

38 (1) individually; or

39 (2) with other permit holders under this chapter, holders of artisan
40 distiller's permits, holders of brewer's permits issued under
41 IC 7.1-3-2-2(b), or any combination of holders described in this
42 subdivision;



1 participate in a trade show or an exposition at which products of each
 2 permit holder participant are displayed, promoted, and sold. All of the
 3 permit holders may occupy the same tent, structure, or building. The
 4 commission may not grant approval under this subsection to a holder
 5 of a permit under this chapter for more than forty-five (45) days in a
 6 calendar year.

7 SECTION 23. IC 7.1-3-12-5.5 IS ADDED TO THE INDIANA
 8 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 9 **[EFFECTIVE JULY 1, 2021]: Sec. 5.5. (a) This section applies to a**
 10 **farm winery that conveys alcoholic beverages to a customer in a**
 11 **parking lot or area adjacent to the farm winery as provided under**
 12 **section 7 of this chapter.**

13 **(b) Wine must be:**

14 **(1) in the sealed original containers; and**

15 **(2) placed by the employee of the permittee:**

16 **(A) in the trunk of the motor vehicle; or**

17 **(B) behind the last upright seat of the motor vehicle, if the**
 18 **motor vehicle is not equipped with a trunk.**

19 **(c) The parking lot or area where the alcoholic beverages are**
 20 **conveyed to the customer must be:**

21 **(1) well lit; and**

22 **(2) within clear view of the main entrance to the building of**
 23 **the farm winery premises.**

24 SECTION 24. IC 7.1-3-14-4 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) The holder of a
 26 wine retailer's permit is entitled to purchase wine only from a permittee
 27 entitled to sell to the wine retailer under this title. A wine retailer is
 28 entitled to possess wine and sell it at retail to a customer for
 29 consumption on the licensed premises. A wine retailer is also entitled
 30 to sell wine to a customer and deliver it in permissible containers to the
 31 customer on the licensed premises or to the customer's house.

32 (b) A wine retailer is not entitled to sell wine at wholesale. A wine
 33 retailer is not entitled to sell and deliver wine on the street or at the
 34 curb outside the licensed premises, nor is the wine retailer entitled to
 35 sell wine at a place other than the licensed premises. However, a wine
 36 retailer may offer food service (excluding alcoholic beverages) to a
 37 patron who is outside the licensed premises by transacting business
 38 through a window in the licensed premises.

39 (c) A wine retailer is entitled to sell and deliver wine for carry out,
 40 or for at-home delivery.

41 **(d) Notwithstanding IC 7.1-1-3-20, the licensed premises of the**
 42 **wine retailer may include the wine retailer parking lot or an area**



1 adjacent to the wine retailer that may only be used for the purpose
 2 of conveying alcoholic beverages and other nonalcoholic items to
 3 a customer, and may not be used for point of sale purposes or any
 4 other purpose. Any alcoholic beverages conveyed to the customer
 5 must be:

6 (1) in the sealed original containers and placed in a bag that
 7 is stamped, printed, or labeled on the outside: "CONTAINS
 8 ALCOHOLIC BEVERAGES"; and

9 (2) placed by the employee of the permittee:

10 (A) in the trunk of the motor vehicle; or

11 (B) behind the last upright seat of the motor vehicle, if the
 12 motor vehicle is not equipped with a trunk.

13 A retailer permittee may only convey a customer's order of
 14 alcoholic beverages to the customer, if the customer has also
 15 purchased a meal from the retailer permittee that is conveyed to
 16 the customer at the same time as the alcoholic beverages.

17 (e) The parking lot or area where the alcoholic beverages are
 18 conveyed to the customer must be:

19 (1) well lit; and

20 (2) within clear view of the main entrance to the building of
 21 the retailer premises.

22 SECTION 25. IC 7.1-3-16-6, AS AMENDED BY P.L.285-2019,
 23 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2021]: Sec. 6. The commission may issue a temporary wine
 25 permit to a person who is qualified to hold a beer retailer's permit and
 26 who has such other qualifications as the commission may prescribe by
 27 a provisional order until it adopts a rule or regulation on the matter.
 28 However, the special disqualifications listed in IC 7.1-3-4-2(a)(4),
 29 IC 7.1-3-4-2(a)(9), and IC 7.1-3-4-2(a)(14) and the residency
 30 requirements provided in IC 7.1-3-21-3; shall not apply to an applicant
 31 for a temporary wine permit.

32 SECTION 26. IC 7.1-3-20-30, AS ADDED BY P.L.285-2019,
 33 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2021]: Sec. 30. (a) The definitions in section 29 of this
 35 chapter apply to this section.

36 (b) As used in this section, "vendor's permit" means a food hall
 37 vendor's permit issued to an individual vendor operating within the
 38 premises of a food hall for which a master permit is issued under
 39 section 29 of this chapter.

40 (c) The commission may issue a one-, two-, or three-way retailer's
 41 permit for on-premises consumption only to an applicant for a vendor's
 42 permit that has been approved by the commission to operate within a



1 food hall. **However, a vendor to which section 31 of this chapter**
 2 **applies may also sell the alcoholic beverages set forth in section**
 3 **31(c) of this chapter for off the premises consumption.** Each vendor
 4 that sells alcoholic beverages within the food hall must obtain a
 5 vendor's permit.

6 (d) Each vendor permittee must satisfy the following requirements:

7 (1) Each vendor permittee shall:

8 (A) maintain the vendor permittee's own retail merchant's
 9 certificate; and

10 (B) be responsible for the payment of the vendor permittee's
 11 own state gross retail taxes under IC 6-2.5 and withholding
 12 taxes required to be remitted under IC 6-3-4.

13 (2) Each vendor permittee shall conform to all health and safety
 14 requirements of local and state agencies.

15 (3) Each vendor permittee shall comply with all requirements
 16 under IC 7.1-5-9-15.

17 (4) Each vendor permittee shall comply with IC 7.1-5-10-20 with
 18 regard to the vendor permittee's own food and beverage vending
 19 space. However, IC 7.1-5-10-20 does not prohibit a vendor
 20 permittee from establishing sale prices for drinks that are different
 21 from the sale prices for comparable drinks that are set by other
 22 vendor permittees.

23 (5) Each vendor permittee is not required to comply with section
 24 9(b) of this chapter.

25 (6) Each vendor permittee is responsible to the commission for
 26 any and all violations of alcohol laws and rules associated with
 27 the vendor's permit.

28 (7) Each applicant for a vendor's permit must comply with 905
 29 IAC 1-36-1 and 905 IAC 1-36-2 and appear before the local
 30 alcohol board in the county in which the food hall vendor's permit
 31 will be situated. The local board shall only hear evidence on and
 32 determine the vendor's permit applicant's eligibility to hold a
 33 vendor's permit.

34 (8) Any vendor permittee that desires to relocate its food and
 35 beverage space within the food hall premises may relocate upon
 36 the commission's approval of a floor plan change.

37 (e) A vendor's permit authorized by this section may be issued
 38 without regard to the proximity provisions of IC 7.1-3-21-11 or the
 39 quota provisions of IC 7.1-3-22.

40 (f) A vendor's permit may not be transferred to a location outside the
 41 permit premises of the food hall. A vendor's permit that is inactive for
 42 more than six (6) months shall revert back to the commission or may



1 be deposited with the commission subject to the approval of the
2 commission.

3 SECTION 27. IC 7.1-3-20-31 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2021]: **Sec. 31. (a) This section applies to the**
6 **holder of a vendor's permit that owns in whole or in part:**

7 (1) a retailer's permit described in section 30(c) of this
8 chapter; and

9 (2) one (1) of the following:

10 (A) A brewer's permit described in IC 7.1-3-2-7(5).

11 (B) A farm winery permit described in IC 7.1-3-12-3.

12 (C) An artisan distiller's permit described in IC 7.1-3-27.

13 (b) The definitions in sections 29 and 30 of this chapter apply to
14 this section.

15 (c) A holder of a vendor's permit may sell for carryout at the
16 premises for which the retailer's permit was issued:

17 (1) beer manufactured under the brewer's permit, if the
18 vendor's permit holder has a one-, two-, or three-way
19 retailer's permit;

20 (2) wine manufactured under the farm winery permit, if the
21 vendor's permit holder has a two- or three-way retailer's
22 permit; or

23 (3) liquor manufactured under the artisan distiller's permit,
24 if the vendor's permit holder has a three-way retailer's
25 permit.

26 SECTION 28. IC 7.1-3-21-3 IS REPEALED [EFFECTIVE JULY
27 1, 2021]. ~~Sec. 3: The commission shall not issue an alcoholic beverage~~
28 ~~retailer's or dealer's permit of any type to a person who has not been a~~
29 ~~continuous and bona fide resident of Indiana for five (5) years~~
30 ~~immediately preceding the date of the application for a permit.~~

31 SECTION 29. IC 7.1-3-21-5, AS AMENDED BY P.L.214-2016,
32 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2021]: **Sec. 5. (a) The commission shall not issue an alcoholic**
34 **beverage retailer's permit of any type to a corporation unless sixty**
35 **percent (60%) of the outstanding common stock is owned by persons**
36 **who have been continuous and bona fide residents of Indiana for five**
37 **(5) years.**

38 (b) The commission shall not issue an alcoholic beverage dealer's
39 permit of any type for the premises of a package liquor store to a
40 corporation unless:

41 (1) sixty percent (60%) of the outstanding stock in the corporation
42 is owned by persons who have been continuous and bona fide



1 residents of Indiana for five (5) years; and
 2 (2) the stock described in subdivision (1) constitutes a controlling
 3 interest in the corporation.

4 (e) Each officer and stockholder of a corporation shall possess all
 5 other qualifications required of an individual applicant for that
 6 particular type of permit.

7 SECTION 30. IC 7.1-3-21-5.2, AS AMENDED BY P.L.214-2016,
 8 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2021]: Sec. 5.2. (a) The commission shall not issue an
 10 alcoholic beverage retailer's permit of any type to a limited partnership
 11 unless at least sixty percent (60%) of the partnership interest is owned
 12 by persons who have been continuous and bona fide residents of
 13 Indiana for five (5) years:

14 (b) The commission shall not issue an alcoholic beverage dealer's
 15 permit of any type for the premises of a package liquor store to a
 16 limited partnership unless:

17 (1) at least sixty percent (60%) of the partnership interest is
 18 owned by persons who have been continuous and bona fide
 19 residents of Indiana for five (5) years; and

20 (2) the partnership interest described in subdivision (1)
 21 constitutes a controlling interest in the limited partnership.

22 (e) Each general partner and limited partner of a limited partnership
 23 must possess all other qualifications required of an individual applicant
 24 for that particular type of permit.

25 SECTION 31. IC 7.1-3-21-5.4, AS AMENDED BY P.L.44-2017,
 26 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2021]: Sec. 5.4. (a) The commission shall not issue an
 28 alcoholic beverage retailer's permit of any type to a limited liability
 29 company unless at least sixty percent (60%) of the membership interest
 30 is owned by persons who have been continuous and bona fide residents
 31 of Indiana for five (5) years:

32 (b) The commission shall not issue an alcoholic beverage dealer's
 33 permit of any type for the premises of a package liquor store to a
 34 limited liability company unless:

35 (1) at least sixty percent (60%) of the outstanding membership
 36 interest in the limited liability company is owned by persons who
 37 have been continuous and bona fide residents of Indiana for five
 38 (5) years; and

39 (2) the membership interest described in subdivision (1)
 40 constitutes a controlling interest in the limited liability company.

41 (e) Each manager and member of a limited liability company must
 42 possess all other qualifications required of an individual applicant for



1 that particular type of permit.

2 SECTION 32. IC 7.1-3-21-5.6 IS REPEALED [EFFECTIVE JULY
3 1, 2021]. Sec. 5-6: (a) Notwithstanding section 5; 5.2; or 5.4 of this
4 chapter, the commission may renew or transfer ownership of a dealer's
5 permit of any type for the holder of a dealer's permit who:

6 (1) held the permit for the premises of a package liquor store
7 before January 1, 2016; and

8 (2) does not qualify for the permit under section 5(b); 5.2(b); or
9 5.4(b) of this chapter.

10 (b) The commission may transfer ownership of a dealer's permit
11 under this section only to an applicant who satisfies the Indiana
12 resident ownership requirements under this chapter.

13 SECTION 33. IC 7.1-3-21-7 IS REPEALED [EFFECTIVE JULY
14 1, 2021]. Sec. 7: The provisions of section 5 of this chapter shall not
15 apply to the common stock ownership of a corporation holding a
16 restaurant permit and having less than sixty percent (60%) resident
17 ownership prior to March 14, 1963.

18 SECTION 34. IC 7.1-3-21-8 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. The commission
20 shall not issue an alcoholic beverage permit of any type to a person
21 unless that person has on file with the commission a verified list
22 containing the name and address of each person ~~who is; or will be;~~
23 **financially or beneficially interested or entity holding at least a two**
24 **percent (2%) interest** in the permit and the business conducted, or to
25 be conducted, under it. **If a publicly traded corporation has an**
26 **interest, the list shall provide the name and address of only:**

27 (1) **the chief executive officer;**

28 (2) **the chief financial officer;**

29 (3) **the chief operating officer; and**

30 (4) **the members of the board of directors;**

31 **of the corporation.** At all times, a change in the list shall be filed by
32 the applicant or permittee with the commission within ten (10) days of
33 the date when the change became effective. The lists, together with any
34 changes, shall be kept on file in the office of the commission and they
35 shall be open to public inspection.

36 SECTION 35. IC 7.1-3-21-11, AS AMENDED BY P.L.285-2019,
37 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2021]: Sec. 11. (a) **As used in this section "craft**
39 **manufacturer" means:**

40 (1) **a small brewery under IC 7.1-3-2-7(5);**

41 (2) **a farm winery under IC 7.1-3-12, including any additional**
42 **locations of the farm winery operated under IC 7.1-3-12-5(b);**



- 1 **or**
- 2 **(3) an artisan distillery under IC 7.1-3-27.**
- 3 ~~(a)~~ **(b)** As used in this section, "wall" means a wall of a building.
- 4 The term does not include a boundary wall.
- 5 ~~(b)~~ **(c)** Except as provided in subsections ~~(c)~~, ~~(g)~~, ~~and (h)~~, **(d)**, **(h)**,
- 6 **and (i)**, the commission may not issue a permit for a premises if:
- 7 **(1)** a wall of the premises is situated within two hundred (200)
- 8 feet from a wall of a school or church; **and**
- 9 **(2)** ~~if no~~ a permit has **not** been issued for the premises under the
- 10 provisions of Acts 1933, Chapter 80.
- 11 ~~(c)~~ **(d)** This section does not apply to the premises of a:
- 12 (1) grocery store, drug store, restaurant, hotel, catering hall, **craft**
- 13 **manufacturer**, or location for which the use of a supplemental
- 14 catering permit has been approved if:
- 15 (A) a wall of the premises is situated within two hundred (200)
- 16 feet from a wall of a church or school;
- 17 (B) the commission receives a written statement from the
- 18 authorized representative of the church or school stating
- 19 expressly that the church or school does not object to the
- 20 issuance of the permit for the premises; and
- 21 (C) the commission determines that the church or school does
- 22 not object to the issuance of the permit for the premises; or
- 23 (2) church or school that applies for a temporary beer or wine
- 24 permit.
- 25 ~~(d)~~ **(e)** The commission shall base its determination under
- 26 subsection ~~(c)~~~~(1)~~~~(C)~~ **(d)****(1)****(C)** solely on the written statement of the
- 27 authorized representative of the church or school.
- 28 ~~(e)~~ **(f)** If the commission does not receive the written statement of
- 29 the authorized representative of the church or school, the premises of
- 30 the grocery store, drug store, restaurant, hotel, catering hall, **craft**
- 31 **manufacturer**, or location for which the use of a supplemental catering
- 32 permit has been approved may not obtain the waiver allowed under this
- 33 section.
- 34 ~~(f)~~ **(g)** If the commission determines that the church or school does
- 35 not object, this section and IC 7.1-3-21-10 do not apply to the permit
- 36 premises of the grocery store, drug store, restaurant, hotel, **craft**
- 37 **manufacturer**, or catering hall on a subsequent renewal or transfer of
- 38 ownership.
- 39 ~~(g)~~ **(h)** If the commission:
- 40 (1) receives a written statement from the authorized
- 41 representative of a church or school as described in subsection
- 42 ~~(c)~~~~(1)~~~~(B)~~; **(d)****(1)****(B)**; and



1 (2) determines the church or school does not object as described
 2 in subsection ~~(c)(1)(C)~~; **(d)(1)(C)**;
 3 the commission may not consider subsequent objections from the
 4 church or school to the issuance of the same permit type at the same
 5 premises location.

6 ~~(h)~~ **(i)** The commission may issue a permit for a premises if the wall
 7 of the premises and the wall of a church are separated by at least
 8 eighty-five (85) feet, including a two (2) lane road of at least thirty (30)
 9 feet in width.

10 SECTION 36. IC 7.1-3-22-0.1 IS ADDED TO THE INDIANA
 11 CODE AS A NEW SECTION TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2021]: **Sec. 0.1. The amendments made to**
 13 **section 8 of this chapter by the 2021 regular session of the general**
 14 **assembly do not affect alcoholic beverage permits issued before**
 15 **July 1, 2021.**

16 SECTION 37. IC 7.1-3-22-8 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. **(a) Except as**
 18 **provided in subsection (b)**, in making quota determinations under this
 19 article, the population of ~~a the consolidated city of Indianapolis is the~~
 20 ~~population of its fire special service district, except to the extent that~~
 21 ~~the case of Indiana Alcoholic Beverage Commission v. Baker (1972),~~
 22 ~~153 Ind.App. 118, 286 N.E.2d 174, has determined otherwise.~~
 23 However, the number of liquor dealer's permits issued to proprietors of
 24 package liquor stores located in the fire special service district may not
 25 exceed the number issued as of January 1, 1977: **is the population**
 26 **located:**

27 **(1) inside Marion County; and**

28 **(2) outside the corporate boundaries of Beech Grove,**
 29 **Lawrence, Southport, and Speedway.**

30 **(b)** For purposes of ~~this article~~ **section 5 of this chapter** relating to
 31 the permissible geographic location of package liquor store dealer
 32 permit holders, the area of ~~a the consolidated city of Indianapolis is~~
 33 ~~the entire area of the entire county:~~ **Marion County, including the**
 34 **area within the corporate boundaries of Beech Grove, Lawrence,**
 35 **Southport, and Speedway.**

36 SECTION 38. IC 7.1-3-24-7 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. ~~Surviving Spouse or~~
 38 ~~Heir.~~ The surviving spouse or heir of a deceased permittee may be
 39 permitted to continue the business conducted by the deceased
 40 permittee, without probate proceedings, if ~~the consent of the~~
 41 ~~department of local government finance is procured;~~ **and if both of the**
 42 **following occur:**



1 (1) The court having probate jurisdiction ~~shall find~~ **finds** that the
 2 surviving spouse or heir of the deceased permittee possesses the
 3 qualifications required of an applicant for that particular type of
 4 permit.

5 (2) ~~A The~~ surviving spouse or heir who desires to carry on the
 6 business of the deceased permittee ~~as authorized by this section;~~
 7 ~~must apply~~ **applies** for and ~~receive~~ **receives** the written consent
 8 of the chairman. A copy of the court's findings on the
 9 qualifications of the applicant must accompany the application for
 10 written consent.

11 SECTION 39. IC 7.1-3-27-5 IS REPEALED [EFFECTIVE JULY
 12 1, 2021]. Sec. 5: (a) Except as provided in section 7 of this chapter, an
 13 applicant for an artisan distiller's permit must meet all the following
 14 requirements to be eligible for an artisan distiller's permit:

15 (1) The permit applicant must hold one (1) of the following
 16 permits for the eighteen (18) months immediately preceding the
 17 date of the application:

18 (A) A farm winery permit under IC 7.1-3-12.

19 (B) A brewer's permit issued under IC 7.1-3-2-2(b).

20 (C) A distiller's permit under IC 7.1-3-7.

21 (2) The permit applicant may not have more than one (1) violation
 22 of this title during the eighteen (18) months immediately
 23 preceding the date of the application.

24 (3) The permit applicant may not have any violation of this title
 25 during the twelve (12) month period immediately preceding the
 26 date of the permit application.

27 (b) As used in this subsection, "qualifying permit" means a farm
 28 winery, brewer's, or distiller's permit under subsection (a)(1)(A);
 29 (a)(1)(B); or (a)(1)(C) that is required in order to hold an artisan
 30 distiller's permit. The same persons must directly or indirectly own and
 31 control more than fifty percent (50%) of the entity that holds the
 32 qualifying permit and the artisan distiller's permit.

33 SECTION 40. IC 7.1-3-27-7 IS REPEALED [EFFECTIVE JULY
 34 1, 2021]. Sec. 7: (a) This section applies only to a person that, on
 35 January 1, 2014:

36 (1) holds the necessary permit or license from the United States
 37 to own or operate an establishment to manufacture liquor; and

38 (2) does not hold any of the permits listed in section 5(a)(1) of
 39 this chapter.

40 (b) A person must meet all the following requirements to be eligible
 41 for an artisan distiller's permit under this section:

42 (1) Any person (except for a person under subdivision (2)) who



1 sells or furnishes liquor by the bottle or glass on the premises of
2 the artisan distillery:

3 (A) must have held for at least three (3) years an employee
4 permit under IC 7.1-3-18-9 that authorizes the person to
5 perform bartending duties;

6 (B) must have completed any alcohol server program or
7 alcohol server training program refresher courses required
8 under IC 7.1-3-1.5; and

9 (C) may not have any violations under this title.

10 (2) The applicant for the artisan distiller's permit and any
11 management representative of the applicant must complete an
12 alcohol server program or a trainer program established or
13 approved under IC 7.1-3-1.5-5.5 or IC 7.1-3-1.5-6 not more than
14 one (1) year before the date of the application for the artisan
15 distiller's permit.

16 (e) Except as provided in subsection (f)(2), the person may not be
17 required to fulfill the requirements of section 5 of this chapter.

18 (d) If the person is issued an artisan distiller's permit under this
19 section, the person must meet the following requirements for the period
20 set forth in subsection (e):

21 (1) Any person selling or furnishing liquor on the premises of the
22 artisan distillery (except for a person under subsection (b)(2))
23 must meet the requirements of subsection (b)(1):

24 (2) The holder of the artisan distiller's permit and any
25 management representative of the holder of the artisan distiller's
26 permit must successfully complete refresher courses under
27 IC 7.1-3-1.5 not later than three (3) years after the date the holder
28 or representative completes the initial server program or trainer
29 program.

30 (e) A person who is issued an artisan distiller's permit under this
31 section must meet the requirements in subsection (d) until the later of:

32 (1) three (3) years after the date on which the initial artisan
33 distiller's permit is issued; or

34 (2) the date that the holder of the artisan distiller's permit has one
35 (1) twelve (12) month period without a violation of this title.

36 (f) Upon fulfilling the requirements of subsections (d) and (e), a
37 person who is issued an artisan distiller's permit under this section must
38 meet the following requirements for as long as the person holds the
39 permit:

40 (1) Any person who sells or furnishes liquor on the premises of
41 the artisan distillery (except for a person under subsection (b)(2))
42 must have an employee permit under IC 7.1-3-18-9 and be



1 otherwise authorized by the commission to perform bartending
 2 duties. However, the person is not required to:

3 (A) hold an employee bartending permit for three (3) years
 4 before selling or furnishing liquor; and

5 (B) not have any violations under this title.

6 (2) The holder of the artisan distiller's permit and any
 7 management representative of the holder of the artisan distiller's
 8 permit are subject to the same alcohol server training
 9 requirements and refresher course requirements as the holder of
 10 an artisan distiller's permit that meets the requirements of section
 11 5 of this chapter.

12 SECTION 41. IC 7.1-3-27-8, AS AMENDED BY P.L.285-2019,
 13 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2021]: Sec. 8. (a) The holder of an artisan distiller's permit
 15 may do only the following:

16 (1) Manufacture liquor, including blending liquor purchased from
 17 another manufacturer with liquor the artisan distiller
 18 manufactures under section 11 of this chapter.

19 (2) Bottle liquor manufactured by the artisan distiller.

20 (3) Store liquor manufactured by the artisan distiller, including at
 21 a facility **located** within ten (10) miles of the artisan distiller's
 22 distillery.

23 (4) Transport, sell, and deliver liquor manufactured by the artisan
 24 distiller to:

25 (A) places outside Indiana; or

26 (B) the holder of a liquor wholesaler's permit under IC 7.1-3-8.

27 (5) Sell liquor manufactured by the artisan distiller to consumers
 28 by the drink, bottle, or case from the **licensed** premises of the
 29 distillery where the liquor was manufactured. **Notwithstanding**
 30 **IC 7.1-1-3-20, the licensed premises may include the distillery**
 31 **parking lot or an area adjacent to the artisan distillery. The**
 32 **parking lot or adjacent area may only be used for the purpose**
 33 **of conveying alcoholic beverages and other nonalcoholic items**
 34 **to a customer subject to section 8.1 of this chapter and may**
 35 **not be used for point of sale purposes or any other purpose.**

36 (6) Serve complimentary samples of the liquor manufactured by
 37 the artisan distiller to consumers on the premises of the distillery
 38 where the liquor was manufactured.

39 (7) Sell liquor as authorized by this section for carryout on
 40 Sunday in a quantity at any one (1) time of not more than four and
 41 five-tenths (4.5) liters.

42 (8) With the approval of the commission, participate:



- 1 (A) individually; or
 2 (B) with other permit holders under this chapter, holders of
 3 farm winery permits, holders of brewer's permits issued under
 4 IC 7.1-3-2-2(b), or any combination of holders described in
 5 this clause;
 6 in a trade show or an exposition at which products of each permit
 7 holder participant are displayed, promoted, and sold. All of the
 8 permit holders may occupy the same tent, structure, or building.
 9 The commission may not grant to a holder of a permit under this
 10 chapter approval under this subdivision to participate in a trade
 11 show or exposition for more than forty-five (45) days in a
 12 calendar year.
- 13 (9) Be the proprietor of a restaurant that is not subject to the
 14 minimum gross food sales or the minimum projected food sales
 15 set forth in 905 IAC 1-41-2 and the gross retail income
 16 requirements to sell carryout under IC 7.1-3-20-9.5. A holder is
 17 entitled to conduct the following activities:
- 18 (A) Hold a beer retailer's permit, a wine retailer's permit, or a
 19 liquor retailer's permit for a restaurant.
 20 (B) Transfer liquor directly from the artisan distillery to a
 21 restaurant that the artisan distiller has an interest in by means
 22 of:
 23 (i) bottles;
 24 (ii) bulk containers; or
 25 (iii) a continuous flow system.
 26 (C) Install a window between the artisan distillery and an
 27 adjacent restaurant that allows the public and the holder of the
 28 permit to view both premises.
 29 (D) Install a doorway or other opening between the artisan
 30 distillery and an adjacent restaurant that provides the public
 31 and the holder of the permit with access to both the artisan
 32 distillery and restaurant.
- 33 **(10) Sell and deliver to a person holding a liquor retailer**
 34 **permit or liquor dealer permit under this title the following:**
 35 **(A) A total of not more than one thousand (1,000) gallons**
 36 **of the artisan distillery's liquor in a calendar year, if the**
 37 **artisan distiller manufactures not more than three**
 38 **thousand (3,000) gallons of liquor in a calendar year for**
 39 **sale and distribution in Indiana.**
 40 **(B) A total of not more than three thousand (3,000) gallons**
 41 **of the artisan distillery's liquor in a calendar year, if the**
 42 **artisan distiller manufactures not more than nine thousand**



- 1 **(9,000) gallons of liquor in a calendar year for sale and**
 2 **distribution in Indiana.**
- 3 (b) The holder of an artisan distiller's permit who provides samples
 4 or sells liquor by the glass must furnish the minimum food
 5 requirements prescribed by the commission.
- 6 (c) A storage facility used by an artisan distiller under subsection
 7 ~~(a)(3)(1)~~ **(a)(3)** must conform with federal laws, rules, and regulations.
 8 and ~~(2)~~ must not be used for any purposes except for the storage of
 9 liquor. **An artisan distiller may transfer liquor from a separate**
 10 **storage facility back to the artisan distillery. An artisan distiller**
 11 **may sell or transfer liquor directly to a liquor wholesaler from a**
 12 **storage facility that is separate from the artisan distillery. An**
 13 **artisan distiller may not sell or transfer liquor from a storage**
 14 **facility to any other permittee or a consumer. The artisan distiller**
 15 **shall maintain an adequate written record of the liquor**
 16 **transferred:**
- 17 **(1) between the artisan distillery and the storage facility; and**
 18 **(2) from the storage facility to the liquor wholesaler.**
- 19 (d) The holder of an artisan distiller's permit may transport liquor to
 20 and from a brewery located within the same county for the purposes of
 21 carbonating and canning by the brewery. The activity under this
 22 subsection is not an interest under IC 7.1-5-9.
- 23 (e) An artisan distiller who knowingly or intentionally violates this
 24 section commits a Class B misdemeanor.
- 25 SECTION 42. IC 7.1-3-27-8.1 IS ADDED TO THE INDIANA
 26 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2021]: **Sec. 8.1. (a) This section applies to an**
 28 **artisan distillery that conveys alcoholic beverages to a customer in**
 29 **a parking lot or area adjacent to the artisan distillery as provided**
 30 **under section 8(a)(5) of this chapter.**
- 31 **(b) Liquor must be:**
- 32 **(1) in the sealed original containers; and**
 33 **(2) placed by the employee of the permittee:**
 34 **(A) in the trunk of the motor vehicle; or**
 35 **(B) behind the last upright seat of the motor vehicle, if the**
 36 **motor vehicle is not equipped with a trunk.**
- 37 **(c) The parking lot or area where the alcoholic beverages are**
 38 **conveyed to the customer must be:**
- 39 **(1) well lit; and**
 40 **(2) within clear view of the main entrance to the building of**
 41 **the artisan distillery premises.**
- 42 SECTION 43. IC 7.1-3-28 IS ADDED TO THE INDIANA CODE



1 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2021]:

3 **Chapter 28. Rye Whiskey**

4 **Sec. 1. As used in this chapter, "Indiana rye whiskey" means a**
5 **liquor that was:**

- 6 (1) **manufactured in Indiana;**
7 (2) **produced with a mash bill that is at least fifty-one percent**
8 **(51%) rye;**
9 (3) **distilled to not more than one hundred sixty (160) proof or**
10 **eighty percent (80%) alcohol by volume;**
11 (4) **aged in new, charred white oak barrels;**
12 (5) **placed in a barrel at not more than one hundred**
13 **twenty-five (125) proof or sixty-two and one-half percent (62**
14 **1/2%) alcohol by volume;**
15 (6) **rested in a rack house for two (2) years in Indiana; and**
16 (7) **bottled at not less than eighty (80) proof or forty percent**
17 **(40%) alcohol by volume.**

18 **Sec. 2. A person may not advertise, label, sell, or refer for**
19 **marketing or sales purposes to liquor as:**

- 20 (1) **Indiana rye;**
21 (2) **Indiana rye whiskey;**
22 (3) **Indiana rye whisky;**
23 (4) **Indiana sweet mash rye whiskey;**
24 (5) **Indiana sweet mash rye whisky;**
25 (6) **Indiana sour mash rye whiskey; or**
26 (7) **Indiana sour mash rye whisky;**

27 **unless the liquor meets the requirements of Indiana rye whiskey as**
28 **set forth in section 1 of this chapter.**

29 SECTION 44. IC 7.1-4-9-7, AS AMENDED BY P.L.224-2005,
30 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2021]: Sec. 7. (a) Thirty-three percent (33%) of the money in
32 the excise fund shall, upon warrant of the state auditor, be paid into the
33 general fund of the treasury of the city or town in which the retailer's
34 or dealer's licensed premises are located. The money shall be paid to
35 the treasurer of the county in which the retailer's or dealer's premises
36 are located if they are located outside the corporate limits of a city or
37 town.

38 (b) **Not later than ten (10) days after:**

- 39 (1) **an annexation ordinance is filed under IC 36-4-3-22; or**
40 (2) **the second of the two (2) approvals of an annexation is**
41 **filed under IC 36-3-2-7;**

42 **the annexing municipality shall provide notice to the chairman of**



1 **the commission of any retailer's or dealer's premises located within**
 2 **the annexed territory. The notice shall be in writing, sent by**
 3 **certified mail, and must include the effective date of the annexation**
 4 **and the business name and street address of the retailer's or**
 5 **dealer's premises.**

6 **(c) The distribution from the excise fund shall continue to be**
 7 **paid to the jurisdiction on record with the commission, until the**
 8 **chairman of the commission receives the notice under this section**
 9 **that the retailer's or dealer's premises have been annexed into the**
 10 **city or town. An annexing city or town:**

11 **(1) shall be paid distributions that accrue after the date the**
 12 **chairman receives notice; and**

13 **(2) is not entitled to retroactive payment of any distributions**
 14 **accruing before the date the chairman receives notice.**

15 SECTION 45. IC 7.1-5-7-13, AS AMENDED BY P.L.270-2017,
 16 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2021]: Sec. 13. (a) Section 12 of this chapter does not prohibit
 18 the following:

19 (1) The employment of a person at least eighteen (18) years of age
 20 but less than twenty-one (21) years of age on or about licensed
 21 premises where alcoholic beverages are sold, furnished, or given
 22 away for consumption either on or off the licensed premises, for
 23 a purpose other than:

- 24 (A) selling;
- 25 (B) furnishing, other than serving;
- 26 (C) consuming; or
- 27 (D) otherwise dealing in;

28 alcoholic beverages.

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

32 (3) A person who is at least nineteen (19) years of age but less
 33 than twenty-one (21) years of age and who has successfully
 34 completed an alcohol server training program certified under
 35 IC 7.1-3-1.5 from serving alcoholic beverages in a dining area or
 36 family room of a restaurant or hotel:

- 37 (A) in the course of a person's employment as a waiter,
 38 waitress, or server; and
- 39 (B) under the supervision of a person who:
 - 40 (i) is at least twenty-one (21) years of age;
 - 41 (ii) is present at the restaurant or hotel; and
 - 42 (iii) has successfully completed an alcohol server training



- 1 program certified under IC 7.1-3-1.5 by the commission.
 2 This subdivision does not allow a person at least nineteen (19)
 3 years of age but less than twenty-one (21) years of age to be a
 4 bartender.
 5 (4) The employment of a person at least eighteen (18) years of age
 6 but less than twenty-one (21) years of age on or about licensed
 7 premises where alcoholic beverages are sold, furnished, or given
 8 away for consumption either on or off the licensed premises if all
 9 the following apply:
 10 (A) The person is employed as an assistant on a delivery truck.
 11 (B) The person's duties with respect to alcoholic beverages are
 12 limited to handling alcoholic beverages in connection with the
 13 loading, unloading, stowing, or storing of alcoholic beverages
 14 that are being delivered or picked up.
 15 (C) The person does not sell, furnish, or deal in alcoholic
 16 beverages in any manner except as expressly permitted under
 17 clause (B).
 18 (D) The person acts under the supervision of a driver holding
 19 a salesman's permit.
 20 (E) The person does not collect money for the delivery or pick
 21 up.
 22 (b) This chapter does not prohibit a person less than twenty-one (21)
 23 years of age from being on the premises of a brewery under
 24 IC 7.1-3-2-7(5), a farm winery, including any additional locations of
 25 the farm winery under IC 7.1-3-12-5, or an artisan distillery under
 26 ~~IC 7.1-3-27-5~~, **IC 7.1-3-27-8**, if the person is:
 27 (1) the child, stepchild, grandchild, nephew, or niece of an owner
 28 of the:
 29 (A) brewery;
 30 (B) farm winery; or
 31 (C) artisan distiller; and
 32 (2) employed on the premises for a purpose other than:
 33 (A) selling;
 34 (B) furnishing, other than serving;
 35 (C) consuming; or
 36 (D) otherwise dealing in;
 37 alcoholic beverages.
 38 A minor described in this subsection is not required to be accompanied
 39 by a parent, legal guardian or custodian, or family member who is at
 40 least twenty-one (21) years of age while on the premises of the brewery
 41 or farm winery.
 42 SECTION 46. IC 36-3-2-7, AS AMENDED BY P.L.113-2010,



1 SECTION 114, IS AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) This section governs the
 3 transfer of territory that is either:

- 4 (1) inside the corporate boundaries of the consolidated city and
 5 contiguous to an excluded city; or
 6 (2) inside the corporate boundaries of an excluded city and
 7 contiguous to the consolidated city.

8 IC 36-4-3 does not apply to such a transfer.

9 (b) If the owners of land located in territory described in subsection
 10 (a) want to have that territory transferred from one (1) municipality to
 11 the other, they must file:

- 12 (1) a petition for annexation of that territory with the legislative
 13 body of the contiguous municipality; and
 14 (2) a petition for disannexation of that territory with the legislative
 15 body of the municipality containing that territory.

16 Each petition must be signed by at least fifty-one percent (51%) of the
 17 owners of land in the territory sought to be transferred. The territory
 18 must be reasonably compact in configuration, and its boundaries must
 19 generally follow streets or natural boundaries.

20 (c) Each legislative body shall, not later than sixty (60) days after a
 21 petition is filed with it under subsection (b), either approve or
 22 disapprove the petition, with the following results:

- 23 (1) Except as provided in subsection (~~g~~), (**h**), if both legislative
 24 bodies approve, the transfer of territory takes effect:

- 25 (A) on the effective date of the approval of the latter
 26 legislative body to act; and
 27 (B) when a copy of each transfer approval has been filed under
 28 subsection (f).

- 29 (2) If the legislative body of the contiguous municipality
 30 disapproves or fails to act within the prescribed period, the
 31 proceedings are terminated.

- 32 (3) If the legislative body of the contiguous municipality approves
 33 but the legislative body of the other municipality disapproves or
 34 fails to act within the prescribed period, the proceedings are
 35 terminated unless there is an appeal under subsection (d).

36 (d) In the case described by subsection (c)(3), the petitioners may,
 37 not later than sixty (60) days after the disapproval or expiration of the
 38 prescribed period, appeal to the circuit court. The appeal must allege
 39 that the benefits to be derived by the petitioners from the transfer
 40 outweigh the detriments to the municipality that has failed to approve,
 41 which is defendant in the appeal.

42 (e) The court shall try an appeal under subsection (d) as other civil



1 actions, but without a jury. If the court determines that:

2 (1) the requirements of this section have been met; and

3 (2) the benefits to be derived by the petitioners outweigh the
4 detriments to the municipality;

5 it shall order the transfer of territory to take effect on the date its order
6 becomes final, subject to subsection ~~(g)~~; **(h)**, and shall file the order
7 under subsection (f). However, if the municipality, or a district of it, is
8 furnishing sanitary sewer service or municipal water service in the
9 territory, or otherwise has expended substantial sums for public
10 facilities (other than roads) specially benefiting the territory, the court
11 shall deny the transfer.

12 (f) A municipal legislative body that approves a transfer of territory
13 under subsection (c) or a court that approves a transfer under
14 subsection (e) shall file a copy of the approval or order, setting forth a
15 legal description of the territory to be transferred, with:

16 (1) the office of the secretary of state; and

17 (2) the circuit court clerk of each county in which the
18 municipality is located.

19 **(g) Not later than ten (10) days after the second of the two (2)**
20 **approvals is filed under subsection (f), the municipality that**
21 **annexes the territory shall provide notice to the chairman of the**
22 **alcohol and tobacco commission as set forth in IC 7.1-4-9-7 of any**
23 **retailer's or dealer's premises located within the annexed territory.**

24 ~~(g)~~ **(h)** A transfer of territory under this section may not take effect
25 during the year preceding a year in which a federal decennial census is
26 conducted. A transfer of territory that would otherwise take effect
27 during the year preceding a year in which a federal decennial census is
28 conducted takes effect January 1 of the year in which a federal
29 decennial census is conducted.

30 ~~(h)~~ **(i)** A petition for annexation or disannexation under this section
31 may not be filed with respect to land as to which a transfer of territory
32 has been disapproved or denied within the preceding three (3) years.

33 ~~(i)~~ **(j)** The legislative body of a municipality annexing territory
34 under this section shall assign the territory to at least one (1) municipal
35 legislative body district under IC 36-3-4-3 or IC 36-4-6 not later than
36 thirty (30) days after the transfer of territory becomes effective under
37 this section.

38 ~~(j)~~ **(k)** Notwithstanding subsection ~~(g)~~ **(h)** as that subsection existed
39 on December 31, 2009, a transfer of territory that took effect January
40 2, 2010, because of the application of subsection ~~(g)~~; **(h)**, as that
41 subsection existed on December 31, 2009, is instead considered to take
42 effect January 1, 2010, without any additional action being required.



1 SECTION 47. IC 36-4-3-22.1 IS ADDED TO THE INDIANA
2 CODE AS A NEW SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2021]: **Sec. 22.1. Not later than ten (10) days**
4 **after an annexation ordinance is filed under section 22 of this**
5 **chapter, the annexing municipality shall provide notice to the**
6 **chairman of the alcohol and tobacco commission in accordance**
7 **with IC 7.1-4-9-7 of any licensed premises located within the**
8 **annexed territory.**

9 SECTION 48. **An emergency is declared for this act.**

