



February 11, 2021

HOUSE BILL No. 1396

DIGEST OF HB 1396 (Updated February 10, 2021 9:17 pm - DI 144)

Citations Affected: IC 7.1-1; IC 7.1-2; IC 7.1-3; IC 7.1-4; IC 7.1-5; IC 36-3; IC 36-4.

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. Also amends the requirements for an entertainment complex to include, in part, a premises: (A) located entirely within a two mile radius of the center of a consolidated city; and (B) used by a nonprofit organization primarily as a fine arts theater or for the professional performance of musical or theatrical entertainment. (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
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Effective: Upon passage; July 1, 2021.

Smaltz, Clere

January 14, 2021, read first time and referred to Committee on Public Policy.
February 11, 2021, amended, reported — Do Pass.

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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) Eliminates Indiana residency requirements for retailers, dealers, and brewers. (13) Provides for "grab and go stores" that are accessible only by ticketed event attendees and provide self-service sales of alcoholic beverages 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 a farm winery that: (A) does not distribute through an Indiana wine wholesaler to self distribute to a retailer or dealer up to 3,000 gallons in a calendar year, depending upon the amount of wine the farm winery takes out of bond the previous calendar year; or (B) distributes through an Indiana wholesaler, to self distribute the greater of 1,000 gallons or 50% of the amount the farm winery distributed through the wholesaler the previous calendar year, not to exceed 3,000 gallons. Also allows an artisan distillery that: (A) does not distribute through an Indiana wholesaler, to self distribute to a retailer or dealer up to 300 proof gallons in a calendar year, depending upon the amount of liquor the artisan distillery takes out of bond the previous calendar year; or (B) distributes through an Indiana wholesaler to self distribute the greater of 100 proof gallons or 50% of the amount the permit holder distributed through an Indiana wholesaler the previous calendar year, not to exceed 300 proof gallons. (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) Provides that a farm winery may sell wine in any container permitted by Federal law. (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.) (20) Amends the definition of "beer" to include the fermentation of cereal byproducts. (21) Amends the definition of "flavored malt beverage" to include canned beverages. (22) Provides that upon written request, the local board must provide to an individual by electronic mail a copy of the local board hearing schedule, and all subsequent monthly hearing schedules, not later than 24 hours after the schedule is posted. (23) Allows a small brewery, farm winery, and artisan distillery to host a trade show or exposition at a location that is subject to a retailer's permit or supplemental catering permit. (24) Provides that an employee who makes curbside delivery of alcoholic beverages to a consumer must be at least 21 years of age. (25) Creates a craft festival organizer permit (organizer permit) that entitles the permit holder to allow small brewers, farm wineries, and artisan distilleries (festival participants) to sell and serve alcoholic beverages by the glass and for carryout within a festival area. Requires a person who is at least 21 years of age to wear a wristband identification within the festival area. Provides that an organizer permittee is responsible to the commission for all violations of alcohol laws and rules regarding sales and service of alcoholic beverages by festival participants and commits a Class B infraction for: (1) failing to issue a wristband identification to a person entering the festival area who is at least 21 years of age; (2) sale of an alcoholic
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Digest Continued

beverage by a festival participant to a person who is not wearing a wristband identification; or (3) selling or serving: (A) more than one open container of alcoholic beverage; or (2) an open container of alcoholic beverages in an amount that exceeds the amount set by statute. Makes stylistic changes.



February 11, 2021

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 7.1-1-3-6 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. ~~Beer~~. The term
3 "beer" means an alcoholic beverage obtained by the fermentation of:
4 (1) an infusion or decoction of:
5 (A) barley malt or other cereal; and
6 (B) hops;
7 in water; **or**
8 (2) **cereal byproducts.**
9 SECTION 2. IC 7.1-1-3-16.5, AS AMENDED BY P.L.285-2019,
10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2021]: Sec. 16.5. The term "entertainment complex" means a
12 premises that complies with one (1) or more of the following
13 requirements:
14 (1) The premises:
15 (A) is a site for the performance of musical, theatrical, or other

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- 1 entertainment; and
 2 (B) includes an area where at least ~~eight~~ **six** hundred (~~800~~)
 3 **(600)** individuals may be seated at one (1) time in permanent
 4 seating.
 5 (2) The premises:
 6 (A) is located entirely within a ~~one (1)~~ **two (2)** mile radius of
 7 the center of a consolidated city;
 8 (B) is used by a nonprofit organization primarily **as a fine arts**
 9 **theater or** for the professional performance of musical or
 10 theatrical entertainment; and
 11 (C) has audience seating in one (1) or more performance
 12 spaces for at least two hundred (200) individuals.
 13 SECTION 3. IC 7.1-1-3-16.7 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 16.7. The term
 15 "flavored malt beverage" means an alcoholic beverage that has all of
 16 the following attributes:
 17 (1) The alcoholic beverage is made from a malt beverage base
 18 that is flavored with aromatic essences or other flavorings in
 19 quantities and proportions that result in a product that possesses
 20 a character and flavor distinctive from the malt beverage base and
 21 is distinguishable from other malt beverages.
 22 (2) The label, packaging, container, and any advertising or
 23 depiction of the alcoholic beverage disseminated, broadcast, or
 24 available in Indiana do not contain any of the following words, or
 25 a derivative, version, or non-English translation of the following
 26 words:
 27 (A) Beer.
 28 (B) Lager.
 29 (C) Pilsner.
 30 (D) Stout.
 31 (E) Porter.
 32 (F) Ale.
 33 (G) Cider.
 34 (H) Framboise.
 35 (I) Lambic.
 36 (J) Draft.
 37 (K) Liquor.
 38 (L) Bitter.
 39 (M) Brew.
 40 However, the label and packaging may contain in only one (1)
 41 location the words "flavored beer" placed adjacent to each other
 42 in type not to exceed two (2) millimeters in height.



- 1 ~~(3)~~ The alcoholic beverage is not distributed in aluminum or other
 2 metal containers.
- 3 ~~(4)~~ **(3)** The alcoholic beverage creates no foam that gives the
 4 appearance of beer when the alcoholic beverage is poured from
 5 its container.
- 6 SECTION 4. IC 7.1-2-3-3 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. ~~Forms~~. The
 8 commission, in accordance with IC 5-15-5.1, shall have the power to
 9 prescribe the forms for all applications, permits, licenses, **certificates**,
 10 and other documents and records used in the administration of this title.
- 11 SECTION 5. IC 7.1-2-3-7 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. ~~Rules and~~
 13 ~~Regulations~~. The commission shall have the power to promulgate rules
 14 and regulations governing **the following**:
- 15 ~~(a)~~ **(1)** The conduct of the meetings and business of the
 16 commission.
- 17 ~~(b)~~ **(2)** The conduct of hearings before any of the commission's
 18 representatives.
- 19 ~~(c)~~ **(3)** The conduct of the business of a permittee **or certificate**
 20 **holder** authorized or governed by the provisions of this title.
- 21 ~~(d)~~ **(4)** The enforcement of the provisions of this title and of the
 22 rules and regulations of the commission.
- 23 ~~(e)~~ **(5)** The standards of purity and methods of manufacturing
 24 used in the production of alcohol and alcoholic beverages.
- 25 ~~(f)~~ **(6)** The prevention of misbranding or adulteration of alcohol
 26 or alcoholic beverages. **and**
- 27 ~~(g)~~ **(7)** The prevention of fraud, evasion, trickery, or deceit in the
 28 manufacture, labeling, importation, advertisement, transportation,
 29 or sale of alcohol or alcoholic beverages, or the evasion of other
 30 laws of Indiana relating to alcohol or alcoholic beverages.
- 31 SECTION 6. IC 7.1-2-3-9 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. ~~Permits~~. The
 33 commission shall have the discretionary authority to issue, deny,
 34 suspend, revoke, or not renew all permits **and certificates** authorized
 35 by this title, unless the exercise of discretion or authority is limited by
 36 applicable provisions of this title.
- 37 SECTION 7. IC 7.1-2-3-11 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. ~~Emergencies~~. The
 39 commission shall have the power to prohibit the sale, transportation, or
 40 movement of alcoholic beverages **or tobacco** when, in the judgment of
 41 the commission, it is necessary during a time of public emergency, civil
 42 disturbance, riot, or epidemic. The prohibition may be imposed without



1 prior notice or advertisement and may be continued in force as long as
2 the need continues.

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

16 SECTION 9. IC 7.1-3-1-5, AS AMENDED BY P.L.285-2019,
17 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JULY 1, 2021]: Sec. 5. (a) Except as provided in subsection (b), an
19 application for a permit to sell alcoholic beverages of any kind, and the
20 required publication of notice, shall disclose the name of the applicant
21 and the specific address where the alcoholic beverages are to be sold,
22 and any assumed business name under which the business will be
23 conducted. The application and notice also shall disclose:

24 (1) the names ~~and addresses~~ of the president and secretary of the
25 corporation, club, association, or organization who will be
26 responsible to the public for the sale of the alcoholic beverage if
27 the applicant is a corporation, club, association, or other type of
28 organization; **or**

29 (2) **the Internet web site where a member of the public may**
30 **access the information in subdivision (1).**

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

39 (1) the applicant must go before the local board for approval of
40 the applicant; and

41 (2) before making the permit active, the permittee must go before
42 the local board for approval of the location.



1 SECTION 10. IC 7.1-3-1-5.5, AS AMENDED BY P.L.10-2010,
 2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2021]: Sec. 5.5. (a) This section applies only in a county
 4 having a consolidated city.

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

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

11 (1) a contiguous property owner; or

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

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

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

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

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

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

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

37 (1) Each neighboring property owner.

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

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

42 (A) The principal, headmaster, or other primary administrator



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



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

11 **(m) Upon written request, the local board must provide to an**
 12 **individual by electronic mail a copy of the local board monthly**
 13 **hearing schedule. After an individual first requests the monthly**
 14 **hearing schedule, the local board must provide that individual with**
 15 **all subsequent monthly hearing schedules, unless the individual**
 16 **requests to no longer receive the monthly schedules. The schedule**
 17 **must be provided to the requesting individual not later than**
 18 **twenty-four (24) hours after the schedule is posted.**

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

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

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

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

32 **(B) A timetable for making the business and the permit**
 33 **active.**

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

36 ~~(2)~~ **(3) To request an extension of a term of deposit, the permit**
 37 **holder must appear at a public meeting of the commission and**
 38 **provide to the commission's satisfaction an explanation of the**
 39 **following:**

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

42 **(B) A timetable for making the business operational and the**



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



1 breweries located in Indiana, an aggregate of not more than ninety
 2 thousand (90,000) barrels of beer in a calendar year for sale or
 3 distribution within Indiana. The commission may issue a permit under
 4 this subsection only to:

- 5 (1) an individual;
- 6 (2) a partnership organized and existing under the laws of
 7 Indiana;
- 8 (3) a limited liability company organized and existing under the
 9 laws of Indiana; or
- 10 (4) a corporation organized and existing under the laws of
 11 Indiana.

12 The permit does not limit the number of barrels of beer in a calendar
 13 year that the brewer may manufacture for sale or distribution outside
 14 Indiana.

15 SECTION 13. IC 7.1-3-2-7, AS AMENDED BY P.L.285-2019,
 16 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2021]: Sec. 7. The holder of a brewer's permit or an
 18 out-of-state brewer holding either a primary source of supply permit or
 19 an out-of-state brewer's permit may do the following:

- 20 (1) Manufacture beer.
- 21 (2) Place beer in containers or bottles.
- 22 (3) Transport beer.
- 23 (4) Sell and deliver beer to a person holding a beer wholesaler's
 24 permit issued under IC 7.1-3-3.
- 25 (5) If the brewer manufactures, at all of the brewer's breweries
 26 located in Indiana, an aggregate of not more than ninety thousand
 27 (90,000) barrels of beer in a calendar year for sale or distribution
 28 within Indiana, the permit holder may do the following:
 - 29 (A) Sell and deliver a total of not more than thirty thousand
 30 (30,000) barrels of beer in a calendar year to a person holding
 31 a retailer or a dealer permit under this title. The total number
 32 of barrels of beer that the permit holder may sell and deliver
 33 under this clause in a calendar year may not exceed thirty
 34 thousand (30,000) barrels of beer.
 - 35 (B) Be the proprietor of a restaurant that is not subject to the
 36 minimum gross food sales or the minimum projected food
 37 sales set forth in 905 IAC 1-41-2.
 - 38 (C) Hold a beer retailer's permit, a wine retailer's permit, or a
 39 liquor retailer's permit for a restaurant established under clause
 40 (B).
 - 41 (D) Transfer beer directly from the brewery to the restaurant
 42 by means of:



- 1 (i) bulk containers; or
 2 (ii) a continuous flow system.
- 3 (E) Install a window between the brewery and an adjacent
 4 restaurant that allows the public and the permittee to view both
 5 premises.
- 6 (F) Install a doorway or other opening between the brewery
 7 and an adjacent restaurant that provides the public and the
 8 permittee with access to both premises.
- 9 (G) Sell the brewery's beer by the glass for consumption on the
 10 premises. Brewers permitted to sell beer by the glass under
 11 this clause must make food available for consumption on the
 12 premises. A brewer may comply with the requirements of this
 13 clause by doing any of the following:
- 14 (i) Allowing a vehicle of transportation that is a food
 15 establishment (as defined in IC 16-18-2-137) to serve food
 16 near the brewer's licensed premises.
- 17 (ii) Placing menus in the brewer's premises of restaurants
 18 that will deliver food to the brewery.
- 19 (iii) Providing food prepared at the brewery.
- 20 (H) Sell and deliver beer to a consumer at the ~~permit licensed~~
 21 premises of the brewer or at the residence of the consumer.
 22 **Notwithstanding IC 7.1-1-3-20, the licensed premises may**
 23 **include the brewery parking lot or an area adjacent to the**
 24 **brewery that may only be used for the purpose of**
 25 **conveying alcoholic beverages and other nonalcoholic**
 26 **items to a customer subject to section 10 of this chapter,**
 27 **and may not be used for point of sale purposes or any**
 28 **other purpose.** The delivery to a consumer may be made only
 29 in a quantity at any one (1) time of not more than one-half
 30 (1/2) barrel, but the beer may be contained in bottles or other
 31 permissible containers.
- 32 (I) Sell the brewery's beer as authorized by this section for
 33 carryout on Sunday in a quantity at any one (1) time of not
 34 more than five hundred seventy-six (576) ounces. A brewer's
 35 beer may be sold under this clause at any address for which the
 36 brewer holds a brewer's permit issued under this chapter if the
 37 address is located within the same city boundaries in which the
 38 beer was manufactured.
- 39 (J) With the approval of the commission, participate:
- 40 (i) individually; or
 41 (ii) with other permit holders under this chapter, holders of
 42 artisan distiller's permits, holders of farm winery permits, or



- 1 any combination of holders described in this item;
- 2 in a trade show or an exposition at which products of each
- 3 permit holder participant are displayed, promoted, and sold.
- 4 All of the permit holders may occupy the same tent, structure,
- 5 or building. The commission may not grant to a holder of a
- 6 permit under this chapter approval under this clause to
- 7 participate in a trade show or exposition for more than
- 8 forty-five (45) days in a calendar year.
- 9 (K) Store or condition beer in a secure building that is:
 - 10 (i) separate from the brewery; and
 - 11 (ii) owned or leased by the permit holder.
- 12 **A brewer may transfer beer from a building described in**
- 13 **this clause back to the brewery.** A brewer may not sell or
- 14 transfer beer directly to a ~~permittee or consumer beer~~
- 15 **wholesaler** from a building described in this clause, **but may**
- 16 **not sell or transfer beer from the building to any other**
- 17 **permittee or a consumer. The brewer shall maintain an**
- 18 **adequate written record of the beer transferred:**
 - 19 **(i) between the brewery and the separate building; and**
 - 20 **(ii) from the separate building to the wholesaler.**
- 21 (L) Sell the brewery's beer to the holder of a supplemental
- 22 caterer's permit issued under IC 7.1-3-9.5 for on-premises
- 23 consumption only at an event that is held outdoors on property
- 24 that is contiguous to the brewery as approved by the
- 25 commission.
- 26 (M) Receive liquor from the holder of a distiller's permit
- 27 issued under IC 7.1-3-7 or the holder of an artisan distiller's
- 28 permit under IC 7.1-3-27 that is located in the same county as
- 29 the brewery for the purpose of carbonating and canning the
- 30 liquor. Upon the completion of canning of the liquor, the
- 31 product must be returned to the original production facility
- 32 within forty-eight (48) hours. The activity under this clause is
- 33 not an interest under IC 7.1-5-9.
- 34 (6) If the brewer's brewery manufactures more than ninety
- 35 thousand (90,000) barrels of beer in a calendar year for sale or
- 36 distribution within Indiana, the permit holder may own a portion
- 37 of the corporate stock of another brewery that:
 - 38 (A) is located in the same county as the brewer's brewery;
 - 39 (B) manufactures less than ninety thousand (90,000) barrels of
 - 40 beer in a calendar year; and
 - 41 (C) is the proprietor of a restaurant that operates under
 - 42 subdivision (5).



- 1 (7) Provide complimentary samples of beer that are:
 2 (A) produced by the brewer; and
 3 (B) offered to consumers for consumption on the brewer's
 4 premises.
 5 (8) Own a portion of the corporate stock of a sports corporation
 6 that:
 7 (A) manages a minor league baseball stadium located in the
 8 same county as the brewer's brewery; and
 9 (B) holds a beer retailer's permit, a wine retailer's permit, or a
 10 liquor retailer's permit for a restaurant located in that stadium.
 11 (9) For beer described in IC 7.1-1-2-3(a)(4):
 12 (A) may allow transportation to and consumption of the beer
 13 on the licensed premises; and
 14 (B) may not sell, offer to sell, or allow sale of the beer on the
 15 licensed premises.

16 SECTION 14. IC 7.1-3-2-10 IS ADDED TO THE INDIANA CODE
 17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 18 1, 2021]: **(a) This section applies to a permittee that conveys
 19 alcoholic beverages to a customer in a parking lot or area adjacent
 20 to the brewery as provided under section 7(5)(H) of this chapter.**

21 **(b) Alcoholic beverages must be:**

22 **(1) in sealed containers; and**

23 **(2) placed by an employee of the permittee who is at least
 24 twenty-one (21) years of age:**

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

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

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

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

31 **(2) within clear view of the main entrance of the brewery
 32 building premises.**

33 SECTION 15. IC 7.1-3-4-0.1 IS ADDED TO THE INDIANA
 34 CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 0.1. The amendment made to
 35 section 2 of this chapter by the 2021 regular session of the general
 36 assembly and the addition of section 2.5 of this chapter do not
 37 apply to an individual who renews an alcoholic beverage permit
 38 after June 30, 2021, that the individual held before July 1, 2021.**

40 SECTION 16. IC 7.1-3-4-2, AS AMENDED BY P.L.285-2019,
 41 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2021]: Sec. 2. (a) The commission shall not issue a beer



1 retailer's permit, except as otherwise authorized in this title and subject
 2 to the other restrictions contained in this title, to the following persons:

3 (1) ~~An alien.~~ **An individual who is unable to provide the**
 4 **commission with valid documentary evidence of legal**
 5 **presence status within the United States, as provided in**
 6 **section 2.5 of this chapter.**

7 (2) A person who is not of good repute in the community in which
 8 the person resides.

9 (3) A person who has been convicted within ten (10) years before
 10 the date of application of:

11 (A) a federal crime having a sentence of at least one (1) year;

12 (B) an Indiana Class A, Class B, or Class C felony (for a crime
 13 committed before July 1, 2014) or a Level 1, Level 2, Level 3,
 14 Level 4, or Level 5 felony (for a crime committed after June
 15 30, 2014); or

16 (C) a crime in a state other than Indiana having a penalty equal
 17 to the penalty for an Indiana Class A, Class B, or Class C
 18 felony (for a crime committed before July 1, 2014) or a Level
 19 1, Level 2, Level 3, Level 4, or Level 5 felony (for a crime
 20 committed after June 30, 2014).

21 However, this subdivision does not apply to a conviction that has
 22 been expunged under IC 35-38-9.

23 (4) A person who does not own the premises to which the permit
 24 will be applicable, or who does not have a bona fide lease on the
 25 premises for the full period for which the permit is to be issued.

26 (5) A law enforcement officer or an officer who is not an elected
 27 officer of a municipal corporation, or governmental subdivision,
 28 or of Indiana, charged with any duty or function in the
 29 enforcement of this title.

30 (6) An officer or employee of a person engaged in the alcoholic
 31 beverage traffic, which person is a nonresident of Indiana, or is
 32 engaged in carrying on any phase of the manufacture of, traffic in,
 33 or transportation of alcoholic beverages without a permit under
 34 this title when a permit is required by this title.

35 (7) If the permit applicant does not hold a brewer's permit, a
 36 person who leases from a person, or an officer or agent of that
 37 person, who holds a brewer's permit or a beer wholesaler's permit.

38 (8) If the permit applicant does not hold a brewer's permit, a
 39 person who is indebted to a person who holds a brewer's permit
 40 or a beer wholesaler's permit, or an officer or agent of that person,
 41 for a debt secured by a lien, mortgage, or otherwise, upon the
 42 premises for which the beer retailer's permit is to be applicable,



- 1 or upon any of the property or fixtures on the premises, or used,
- 2 or to be used in connection with the premises.
- 3 (9) A person whose place of business is conducted by a manager
- 4 or agent, unless the manager or agent possesses the same
- 5 qualifications required for the issuance of a beer retailer's permit
- 6 to the person.
- 7 (10) A minor.
- 8 (11) A person non compos mentis.
- 9 (12) A person who has held a permit under this title and who has
- 10 had that permit revoked within one (1) year prior to the date of
- 11 application for a beer retailer's permit.
- 12 (13) A person who has made an application for a permit of any
- 13 type which has been denied less than one (1) year prior to the
- 14 person's application for a beer retailer's permit unless the first
- 15 application was denied by reason of a procedural or technical
- 16 defect.
- 17 (14) A person who is not the proprietor of a restaurant located and
- 18 being operated on the premises described in the application for
- 19 the beer retailer's permit, or of a hotel, or of a club, owning, or
- 20 leasing the premises as a part of it. The disqualification contained
- 21 in this subdivision shall not apply to the qualifications for or
- 22 affect the privileges to be accorded under a beer dealer's permit
- 23 or a dining car beer permit.
- 24 (b) Subsection (a)(10) does not prevent a minor from being a
- 25 stockholder in a corporation.
- 26 SECTION 17. IC 7.1-3-4-2.5 IS ADDED TO THE INDIANA
- 27 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 28 [EFFECTIVE JULY 1, 2021]: **Sec. 2.5. For purposes of section**
- 29 **2(a)(1) of this chapter, documentary evidence of legal presence**
- 30 **status in the United States is evidence that an individual:**
- 31 **(1) is a citizen or national of the United States;**
- 32 **(2) is an alien lawfully admitted for permanent residence in**
- 33 **the United States;**
- 34 **(3) has conditional permanent resident status in the United**
- 35 **States;**
- 36 **(4) has an approved application for asylum in the United**
- 37 **States or has entered into the United States in refugee status;**
- 38 **(5) is an alien lawfully admitted for temporary residence in**
- 39 **the United States;**
- 40 **(6) has a valid unexpired nonimmigrant visa or nonimmigrant**
- 41 **visa status for entry into the United States;**
- 42 **(7) has a pending application for asylum in the United States;**



1 **(8) has a pending or approved application for temporary**
 2 **protected status in the United States;**
 3 **(9) has approved deferred action status; or**
 4 **(10) has a pending application for adjustment of status to that**
 5 **of an alien lawfully admitted for permanent residence in the**
 6 **United States or conditional permanent resident status in the**
 7 **United States.**

8 SECTION 18. IC 7.1-3-4-6 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) The holder of a
 10 beer retailer's permit shall be entitled to purchase beer for sale under
 11 his permit only from a permittee entitled to sell to him under this title.
 12 A beer retailer shall be entitled to possess beer and sell it at retail to a
 13 customer for consumption on the licensed premises. A beer retailer also
 14 shall be entitled to sell beer to a customer and deliver it in permissible
 15 containers to the customer on the licensed premises, or to the
 16 customer's house.

17 (b) A beer retailer shall not be entitled to sell beer at wholesale. He
 18 shall not be entitled to sell and deliver beer on the street or at the curb
 19 outside the licensed premises, nor shall he be entitled to sell beer at a
 20 place other than the licensed premises. However, a beer retailer may
 21 offer food service (excluding alcoholic beverages) to a patron who is
 22 outside the licensed premises by transacting business through a
 23 window in the licensed premises.

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

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

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

38 **(2) placed by an employee of the permittee who is at least**
 39 **twenty-one (21) years of age:**

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

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



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

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

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

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

10 SECTION 19. IC 7.1-3-5-2, AS AMENDED BY P.L.285-2019,
 11 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2021]: Sec. 2. (a) As used in this section, "proprietor of a
 13 package liquor store" means the person that:

14 (1) holds the financial investment in; and

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

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

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

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

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

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

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

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

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

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

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

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

39 (B) is in good repute; and

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

42 SECTION 20. IC 7.1-3-6-2, AS AMENDED BY P.L.285-2019,



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

10 SECTION 21. IC 7.1-3-6-17 IS ADDED TO INDIANA CODE AS
 11 A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 12 2021]: **Sec. 17. (a) Notwithstanding any other law, the holder of a**
 13 **retailer's permit, may allow:**

- 14 (1) a brewery under IC 7.1-3-2-7(5);
- 15 (2) a farm winery under IC 7.1-3-12;
- 16 (3) an artisan distillery under IC 7.1-3-27; or
- 17 (4) any combination of (1) through (3);

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

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

28 SECTION 22. IC 7.1-3-9-9 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. (a) The holder of a
 30 liquor retailer's permit shall be entitled to purchase liquor only from a
 31 permittee entitled to sell to him under this title. A liquor retailer shall
 32 be entitled to possess liquor and sell it at retail to a customer for
 33 consumption on the licensed premises. A liquor retailer also shall be
 34 entitled to sell liquor to a customer and deliver it in permissible
 35 containers to the customer on the licensed premises, or to the
 36 customer's house.

37 (b) A liquor retailer shall not be entitled to sell liquor at wholesale.
 38 He shall not be entitled to sell and deliver liquor on the street or at the
 39 curb outside the licensed premises, nor shall he be entitled to sell liquor
 40 at a place other than the licensed premises. However, a liquor retailer
 41 may offer food service (excluding alcoholic beverages) to a patron who
 42 is outside the licensed premises by transacting business through a



1 window in the licensed premises.

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

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

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

15 **(2) placed by an employee of the permittee who is at least**
16 **twenty-one (21) years of age:**

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

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

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

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

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

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

29 SECTION 23. IC 7.1-3-9-12, AS AMENDED BY P.L.1-2018,
30 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 UPON PASSAGE]: Sec. 12. (a) This section applies to:

32 (1) the holder of a three-way permit that is issued to a civic
33 center, a sports arena, a stadium, an exhibition hall, an
34 auditorium, a theater, a tract that contains a premises that is
35 described in IC 7.1-3-1-14(d)(2), or a convention center; or

36 (2) the holder of a catering permit while catering alcoholic
37 beverages at a civic center, a sports arena, a stadium, an
38 exhibition hall, an auditorium, a theater, a tract that contains a
39 premises that is described in IC 7.1-3-1-14(d)(2), or a convention
40 center.

41 **(b) As used in this section, "grab and go store" means an area**
42 **in a building or facility referred to in subsection (a) that satisfies**



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



1 self-service.

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

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

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

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

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

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

12 **(g) In a grab and go store, a permittee shall do the following:**

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

15 **(2) Ensure all employees are at least twenty-one (21) years of**
16 **age.**

17 **(3) Have employees supervise the self-service of alcoholic**
18 **beverages.**

19 **(4) Have an employee present during the store's business**
20 **hours who has a valid server certificate under IC 7.1-3-1.5**
21 **and holds an employee permit under IC 7.1-3-18-9 to sell**
22 **alcoholic beverages to ensure compliance with this title,**
23 **including compliance with IC 7.1-5-7-8 and IC 7.1-5-10-15.**

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

26 SECTION 24. IC 7.1-3-12-3, AS AMENDED BY P.L.165-2006,
27 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2021]: Sec. 3. The commission may issue a farm winery
29 permit to a person who:

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

31 (2) desires to commercially manufacture wine; and

32 (3) is either:

33 (A) an individual; or

34 (B) a partnership, limited liability company, or corporation
35 domiciled in or admitted to do business in Indiana.

36 A farm winery permit shall be valid from July 1, of the then current
37 year to June 30, of the following year. ~~IC 7.1-3-21-5 does not apply to~~
38 ~~a farm winery permit issued under this chapter.~~

39 SECTION 25. IC 7.1-3-12-5, AS AMENDED BY P.L.285-2019,
40 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JULY 1, 2021]: Sec. 5. (a) The following apply to the holder of a farm
42 winery permit:



- 1 (1) A holder is entitled to manufacture wine and to ~~bottle place~~
 2 wine produced by the permit holder's farm winery **in bottles or**
 3 **other permissible containers.**
- 4 (2) A holder is entitled to serve complimentary samples of the
 5 winery's wine on the licensed premises or an outside area that is
 6 contiguous to the licensed premises, as approved by the
 7 commission if each employee who serves wine on the licensed
 8 premises:
- 9 (A) holds an employee's permit under IC 7.1-3-18-9; and
 10 (B) completes a server training program approved by the
 11 commission.
- 12 (3) A holder is entitled to sell the winery's wine on the licensed
 13 premises to consumers either by:
- 14 (A) the glass;
 15 (B) the bottle;
 16 (C) a box that contains a bag designed for storing and
 17 dispensing wine; ~~or~~
 18 (D) any combination of receptacles listed in clauses (A)
 19 through (C); ~~or~~
 20 **(E) any other container permissible under federal law.**
- 21 **Notwithstanding IC 7.1-1-3-20, the licensed premises may**
 22 **include the farm winery parking lot or an area adjacent to the**
 23 **farm winery. The parking lot or adjacent area may only be**
 24 **used for the purpose of conveying alcoholic beverages and**
 25 **other nonalcoholic items to a customer subject to section 5.5**
 26 **of this chapter, and may not be used for point of sale purposes**
 27 **or any other purpose.**
- 28 (4) A holder is entitled to sell the winery's wine to consumers by
 29 the bottle at a farmers' market that is operated on a nonprofit
 30 basis.
- 31 (5) A holder is entitled to sell wine by:
- 32 (A) the bottle;
 33 **(B) the can;**
 34 ~~(B)~~ (C) a box that contains a bag designed for storing and
 35 dispensing wine;
 36 ~~(C)~~ (D) bulk container;
 37 ~~(D)~~ (E) the case; or
 38 ~~(E)~~ (F) any combination of receptacles listed in clauses (A)
 39 through ~~(D)~~; **(E)**;
- 40 to a person who is the holder of a permit to sell wine at wholesale.
- 41 (6) A holder is exempt from the provisions of IC 7.1-3-14.
- 42 (7) A holder is entitled to advertise the name and address of any



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



- 1 **under this title:**
- 2 **(i) a total of not more than one thousand (1,000) gallons**
- 3 **of the farm winery's wine in a calendar year, if the farm**
- 4 **winery has taken not more than five thousand (5,000)**
- 5 **gallons out of bond the previous calendar year;**
- 6 **(ii) a total of not more than two thousand (2,000) gallons**
- 7 **of the farm winery's wine in a calendar year, if the farm**
- 8 **winery has taken more than five thousand (5,000) gallons**
- 9 **out of bond and not more than ten thousand (10,000)**
- 10 **gallons out of bond the previous calendar year; or**
- 11 **(iii) a total of not more than three thousand (3,000)**
- 12 **gallons of the farm winery's wine in a calendar year, if**
- 13 **the farm winery has taken more than ten thousand**
- 14 **(10,000) gallons out of bond and not more than fifteen**
- 15 **thousand (15,000) gallons out of bond the previous**
- 16 **calendar year; or**
- 17 **(B) distributes through an Indiana wine wholesaler is**
- 18 **entitled under the farm winery permit to sell and deliver to**
- 19 **a person holding a wine retailer or wine dealer permit**
- 20 **under this title the greater of:**
- 21 **(i) one thousand (1,000) gallons; or**
- 22 **(ii) fifty percent (50%) of the amount the permit holder**
- 23 **distributed through an Indiana wholesaler the previous**
- 24 **calendar year, not to exceed three thousand (3,000)**
- 25 **gallons.**
- 26 (b) With the approval of the commission, a holder of a permit under
- 27 this chapter may conduct business at not more than three (3) additional
- 28 locations that are separate from the winery. At the additional locations,
- 29 the holder of a permit may conduct any business that is authorized at
- 30 the first location, except for ~~the~~ manufacturing wine or ~~bottling of~~
- 31 **placing wine in bottles or containers.**
- 32 (c) A farm winery may transfer wine from a storage facility or
- 33 an additional location described in subsection (b). A farm winery
- 34 may sell or transfer wine directly to a wine wholesaler from a
- 35 storage facility separate from the farm winery or an additional
- 36 location described in subsection (b). A farm winery may not sell or
- 37 transfer wine from a storage facility to any other permittee or a
- 38 consumer. The farm winery shall maintain an adequate written
- 39 record of wine transferred:
- 40 (1) between the farm winery and the storage facility; and
- 41 (2) from the storage facility to the wholesaler.
- 42 (⇆) (d) With the approval of the commission, a holder of a permit



1 under this chapter may:

2 (1) individually; or

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

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

13 SECTION 26. IC 7.1-3-12-5.5 IS ADDED TO THE INDIANA
14 CODE AS A NEW SECTION TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2021]: **Sec. 5.5. (a) This section applies to a
16 farm winery that conveys alcoholic beverages to a customer in a
17 parking lot or area adjacent to the farm winery as provided under
18 section 7 of this chapter.**

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

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

21 **(2) placed by an employee of the permittee who is at least
22 twenty-one (21) years of age:**

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

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

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

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

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

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

39 **(b) A wine retailer is not entitled to sell wine at wholesale. A wine
40 retailer is not entitled to sell and deliver wine on the street or at the
41 curb outside the licensed premises, nor is the wine retailer entitled to
42 sell wine at a place other than the licensed premises. However, a wine**



1 retailer may offer food service (excluding alcoholic beverages) to a
 2 patron who is outside the licensed premises by transacting business
 3 through a window in the licensed premises.

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

6 **(d) Notwithstanding IC 7.1-1-3-20, the licensed premises of the**
 7 **wine retailer may include the wine retailer parking lot or an area**
 8 **adjacent to the wine retailer that may only be used for the purpose**
 9 **of conveying alcoholic beverages and other nonalcoholic items to**
 10 **a customer, and may not be used for point of sale purposes or any**
 11 **other purpose. Any alcoholic beverages conveyed to the customer**
 12 **must be:**

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

16 **(2) placed by an employee of the permittee who is at least**
 17 **twenty-one (21) years of age:**

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

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

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

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

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

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

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

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



- 1 chapter apply to this section.
- 2 (b) As used in this section, "vendor's permit" means a food hall
3 vendor's permit issued to an individual vendor operating within the
4 premises of a food hall for which a master permit is issued under
5 section 29 of this chapter.
- 6 (c) The commission may issue a one-, two-, or three-way retailer's
7 permit for on-premises consumption only to an applicant for a vendor's
8 permit that has been approved by the commission to operate within a
9 food hall. **However, a vendor to which section 31 of this chapter**
10 **applies may also sell the alcoholic beverages set forth in section**
11 **31(c) of this chapter for off the premises consumption.** Each vendor
12 that sells alcoholic beverages within the food hall must obtain a
13 vendor's permit.
- 14 (d) Each vendor permittee must satisfy the following requirements:
- 15 (1) Each vendor permittee shall:
- 16 (A) maintain the vendor permittee's own retail merchant's
17 certificate; and
- 18 (B) be responsible for the payment of the vendor permittee's
19 own state gross retail taxes under IC 6-2.5 and withholding
20 taxes required to be remitted under IC 6-3-4.
- 21 (2) Each vendor permittee shall conform to all health and safety
22 requirements of local and state agencies.
- 23 (3) Each vendor permittee shall comply with all requirements
24 under IC 7.1-5-9-15.
- 25 (4) Each vendor permittee shall comply with IC 7.1-5-10-20 with
26 regard to the vendor permittee's own food and beverage vending
27 space. However, IC 7.1-5-10-20 does not prohibit a vendor
28 permittee from establishing sale prices for drinks that are different
29 from the sale prices for comparable drinks that are set by other
30 vendor permittees.
- 31 (5) Each vendor permittee is not required to comply with section
32 9(b) of this chapter.
- 33 (6) Each vendor permittee is responsible to the commission for
34 any and all violations of alcohol laws and rules associated with
35 the vendor's permit.
- 36 (7) Each applicant for a vendor's permit must comply with 905
37 IAC 1-36-1 and 905 IAC 1-36-2 and appear before the local
38 alcohol board in the county in which the food hall vendor's permit
39 will be situated. The local board shall only hear evidence on and
40 determine the vendor's permit applicant's eligibility to hold a
41 vendor's permit.
- 42 (8) Any vendor permittee that desires to relocate its food and



- 1 beverage space within the food hall premises may relocate upon
 2 the commission's approval of a floor plan change.
- 3 (e) A vendor's permit authorized by this section may be issued
 4 without regard to the proximity provisions of IC 7.1-3-21-11 or the
 5 quota provisions of IC 7.1-3-22.
- 6 (f) A vendor's permit may not be transferred to a location outside the
 7 permit premises of the food hall. A vendor's permit that is inactive for
 8 more than six (6) months shall revert back to the commission or may
 9 be deposited with the commission subject to the approval of the
 10 commission.
- 11 SECTION 30. IC 7.1-3-20-31 IS ADDED TO THE INDIANA
 12 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2021]: **Sec. 31. (a) This section applies to the**
 14 **holder of a vendor's permit that owns in whole or in part:**
- 15 (1) a retailer's permit described in section 30(c) of this
 16 chapter; and
- 17 (2) one (1) of the following:
- 18 (A) A brewer's permit described in IC 7.1-3-2-7(5).
 19 (B) A farm winery permit described in IC 7.1-3-12-3.
 20 (C) An artisan distiller's permit described in IC 7.1-3-27.
- 21 (b) The definitions in sections 29 and 30 of this chapter apply to
 22 this section.
- 23 (c) A holder of a vendor's permit may sell for carryout at the
 24 premises for which the retailer's permit was issued:
- 25 (1) beer manufactured under the brewer's permit, if the
 26 vendor's permit holder has a one-, two-, or three-way
 27 retailer's permit;
- 28 (2) wine manufactured under the farm winery permit, if the
 29 vendor's permit holder has a two- or three-way retailer's
 30 permit; or
- 31 (3) liquor manufactured under the artisan distiller's permit,
 32 if the vendor's permit holder has a three-way retailer's
 33 permit.
- 34 SECTION 31. IC 7.1-3-21-3 IS REPEALED [EFFECTIVE JULY
 35 1, 2021]. ~~Sec. 3: The commission shall not issue an alcoholic beverage~~
 36 ~~retailer's or dealer's permit of any type to a person who has not been a~~
 37 ~~continuous and bona fide resident of Indiana for five (5) years~~
 38 ~~immediately preceding the date of the application for a permit.~~
- 39 SECTION 32. IC 7.1-3-21-5, AS AMENDED BY P.L.214-2016,
 40 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2021]: ~~Sec. 5. (a) The commission shall not issue an alcoholic~~
 42 ~~beverage retailer's permit of any type to a corporation unless sixty~~



1 percent (60%) of the outstanding common stock is owned by persons
 2 who have been continuous and bona fide residents of Indiana for five
 3 (5) years:

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

7 (1) sixty percent (60%) of the outstanding stock in the corporation
 8 is owned by persons who have been continuous and bona fide
 9 residents of Indiana for five (5) years; and

10 (2) the stock described in subdivision (1) constitutes a controlling
 11 interest in the corporation:

12 (c) Each officer and stockholder of a corporation shall possess all
 13 other qualifications required of an individual applicant for that
 14 particular type of permit.

15 SECTION 33. IC 7.1-3-21-5.2, AS AMENDED BY P.L.214-2016,
 16 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2021]: Sec. 5.2. (a) The commission shall not issue an
 18 alcoholic beverage retailer's permit of any type to a limited partnership
 19 unless at least sixty percent (60%) of the partnership interest is owned
 20 by persons who have been continuous and bona fide residents of
 21 Indiana for five (5) years:

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

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

28 (2) the partnership interest described in subdivision (1)
 29 constitutes a controlling interest in the limited partnership:

30 (c) Each general partner and limited partner of a limited partnership
 31 must possess all other qualifications required of an individual applicant
 32 for that particular type of permit.

33 SECTION 34. IC 7.1-3-21-5.4, AS AMENDED BY P.L.44-2017,
 34 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2021]: Sec. 5.4. (a) The commission shall not issue an
 36 alcoholic beverage retailer's permit of any type to a limited liability
 37 company unless at least sixty percent (60%) of the membership interest
 38 is owned by persons who have been continuous and bona fide residents
 39 of Indiana for five (5) years:

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



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

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

7 (e) Each manager and member of a limited liability company must
 8 possess all other qualifications required of an individual applicant for
 9 that particular type of permit.

10 SECTION 35. IC 7.1-3-21-5.6 IS REPEALED [EFFECTIVE JULY
 11 1, 2021]. Sec. 5.6: (a) Notwithstanding section 5, 5.2, or 5.4 of this
 12 chapter, the commission may renew or transfer ownership of a dealer's
 13 permit of any type for the holder of a dealer's permit who:

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

16 (2) does not qualify for the permit under section 5(b), 5.2(b); or
 17 5.4(b) of this chapter.

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

21 SECTION 36. IC 7.1-3-21-7 IS REPEALED [EFFECTIVE JULY
 22 1, 2021]. Sec. 7: The provisions of section 5 of this chapter shall not
 23 apply to the common stock ownership of a corporation holding a
 24 restaurant permit and having less than sixty percent (60%) resident
 25 ownership prior to March 14, 1963.

26 SECTION 37. IC 7.1-3-21-8 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. The commission
 28 shall not issue an alcoholic beverage permit of any type to a person
 29 unless that person has on file with the commission a verified list
 30 containing the name and address of each person who is, or will be,
 31 financially or beneficially interested or entity holding at least a two
 32 percent (2%) interest in the permit and the business conducted, or to
 33 be conducted, under it. **If a publicly traded corporation has an
 34 interest, the list shall provide the name and address of only:**

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

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

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

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

39 **of the corporation.** At all times, a change in the list shall be filed by
 40 the applicant or permittee with the commission within ten (10) days of
 41 the date when the change became effective. The lists, together with any
 42 changes, shall be kept on file in the office of the commission and they



1 shall be open to public inspection.

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

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

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

9 **or**

10 **(3) an artisan distillery under IC 7.1-3-27.**

11 ~~(a)~~ **(b)** As used in this section, "wall" means a wall of a building.
12 The term does not include a boundary wall.

13 ~~(b)~~ **(c)** Except as provided in subsections ~~(c)~~, ~~(g)~~, and ~~(h)~~, **(d)**, **(h)**,
14 **and (i)**, the commission may not issue a permit for a premises if:

15 **(1)** a wall of the premises is situated within two hundred (200)
16 feet from a wall of a school or church; **and**

17 **(2)** if ~~no~~ a permit has **not** been issued for the premises under the
18 provisions of Acts 1933, Chapter 80.

19 ~~(c)~~ **(d)** This section does not apply to the premises of a:

20 **(1)** grocery store, drug store, restaurant, hotel, catering hall, **craft
21 manufacturer**, or location for which the use of a supplemental
22 catering permit has been approved if:

23 **(A)** a wall of the premises is situated within two hundred (200)
24 feet from a wall of a church or school;

25 **(B)** the commission receives a written statement from the
26 authorized representative of the church or school stating
27 expressly that the church or school does not object to the
28 issuance of the permit for the premises; and

29 **(C)** the commission determines that the church or school does
30 not object to the issuance of the permit for the premises; or

31 **(2)** church or school that applies for a temporary beer or wine
32 permit.

33 ~~(d)~~ **(e)** The commission shall base its determination under
34 subsection ~~(c)~~~~(i)~~~~(c)~~ **(d)****(1)****(C)** solely on the written statement of the
35 authorized representative of the church or school.

36 ~~(e)~~ **(f)** If the commission does not receive the written statement of
37 the authorized representative of the church or school, the premises of
38 the grocery store, drug store, restaurant, hotel, catering hall, **craft
39 manufacturer**, or location for which the use of a supplemental catering
40 permit has been approved may not obtain the waiver allowed under this
41 section.

42 ~~(f)~~ **(g)** If the commission determines that the church or school does



1 not object, this section and IC 7.1-3-21-10 do not apply to the permit
 2 premises of the grocery store, drug store, restaurant, hotel, **craft**
 3 **manufacturer**, or catering hall on a subsequent renewal or transfer of
 4 ownership.

5 ~~(g)~~ **(h)** If the commission:

6 (1) receives a written statement from the authorized
 7 representative of a church or school as described in subsection
 8 ~~(c)(1)(B)~~; **(d)(1)(B)**; and

9 (2) determines the church or school does not object as described
 10 in subsection ~~(c)(1)(C)~~; **(d)(1)(C)**;

11 the commission may not consider subsequent objections from the
 12 church or school to the issuance of the same permit type at the same
 13 premises location.

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

18 SECTION 39. IC 7.1-3-22-0.1 IS ADDED TO THE INDIANA
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2021]: **Sec. 0.1. The amendments made to**
 21 **section 8 of this chapter by the 2021 regular session of the general**
 22 **assembly do not affect alcoholic beverage permits issued before**
 23 **July 1, 2021.**

24 SECTION 40. IC 7.1-3-22-8 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. **(a) Except as**
 26 **provided in subsection (b)**, in making quota determinations under this
 27 article, the population of ~~a the consolidated city of Indianapolis is the~~
 28 ~~population of its fire special service district, except to the extent that~~
 29 ~~the case of Indiana Alcoholic Beverage Commission v. Baker (1972);~~
 30 ~~153 Ind.App. 118, 286 N.E.2d 174, has determined otherwise.~~
 31 ~~However, the number of liquor dealer's permits issued to proprietors of~~
 32 ~~package liquor stores located in the fire special service district may not~~
 33 ~~exceed the number issued as of January 1, 1977. is the population~~
 34 **located:**

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

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

38 **(b)** For purposes of ~~this article~~ **section 5 of this chapter** relating to
 39 the permissible geographic location of package liquor store dealer
 40 permit holders, the area of ~~a the consolidated city of Indianapolis is the~~
 41 ~~entire area of the entire county: Marion County, excluding the~~
 42 **area within the corporate boundaries of Beech Grove, Lawrence,**



1 **Southport, and Speedway.**

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

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

13 (2) ~~A The~~ surviving spouse or heir who desires to carry on the
 14 business of the deceased permittee as ~~authorized by this section;~~
 15 ~~must apply~~ **applies** for and ~~receive~~ **receives** the written consent
 16 of the chairman. A copy of the court's findings on the
 17 qualifications of the applicant must accompany the application for
 18 written consent.

19 SECTION 42. IC 7.1-3-27-5 IS REPEALED [EFFECTIVE JULY
 20 1, 2021]. Sec. 5: (a) ~~Except as provided in section 7 of this chapter; an~~
 21 ~~applicant for an artisan distiller's permit must meet all the following~~
 22 ~~requirements to be eligible for an artisan distiller's permit:~~

23 (1) The permit applicant must hold one (1) of the following
 24 permits for the eighteen (18) months immediately preceding the
 25 date of the application:

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

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

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

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

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

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

41 SECTION 43. IC 7.1-3-27-7 IS REPEALED [EFFECTIVE JULY
 42 1, 2021]. Sec. 7: (a) This section applies only to a person that, on



- 1 January 1, 2014:
- 2 (1) holds the necessary permit or license from the United States
- 3 to own or operate an establishment to manufacture liquor; and
- 4 (2) does not hold any of the permits listed in section 5(a)(1) of
- 5 this chapter.
- 6 (b) A person must meet all the following requirements to be eligible
- 7 for an artisan distiller's permit under this section:
- 8 (1) Any person (except for a person under subdivision (2)) who
- 9 sells or furnishes liquor by the bottle or glass on the premises of
- 10 the artisan distillery:
- 11 (A) must have held for at least three (3) years an employee
- 12 permit under IC 7.1-3-18-9 that authorizes the person to
- 13 perform bartending duties;
- 14 (B) must have completed any alcohol server program or
- 15 alcohol server training program refresher courses required
- 16 under IC 7.1-3-1.5; and
- 17 (C) may not have any violations under this title.
- 18 (2) The applicant for the artisan distiller's permit and any
- 19 management representative of the applicant must complete an
- 20 alcohol server program or a trainer program established or
- 21 approved under IC 7.1-3-1.5-5.5 or IC 7.1-3-1.5-6 not more than
- 22 one (1) year before the date of the application for the artisan
- 23 distiller's permit.
- 24 (c) Except as provided in subsection (f)(2), the person may not be
- 25 required to fulfill the requirements of section 5 of this chapter.
- 26 (d) If the person is issued an artisan distiller's permit under this
- 27 section, the person must meet the following requirements for the period
- 28 set forth in subsection (e):
- 29 (1) Any person selling or furnishing liquor on the premises of the
- 30 artisan distillery (except for a person under subsection (b)(2))
- 31 must meet the requirements of subsection (b)(1):
- 32 (2) The holder of the artisan distiller's permit and any
- 33 management representative of the holder of the artisan distiller's
- 34 permit must successfully complete refresher courses under
- 35 IC 7.1-3-1.5 not later than three (3) years after the date the holder
- 36 or representative completes the initial server program or trainer
- 37 program.
- 38 (e) A person who is issued an artisan distiller's permit under this
- 39 section must meet the requirements in subsection (d) until the later of:
- 40 (1) three (3) years after the date on which the initial artisan
- 41 distiller's permit is issued; or
- 42 (2) the date that the holder of the artisan distiller's permit has one



1 (1) twelve (12) month period without a violation of this title.

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

6 (1) Any person who sells or furnishes liquor on the premises of
7 the artisan distillery (except for a person under subsection (b)(2))
8 must have an employee permit under IC 7.1-3-18-9 and be
9 otherwise authorized by the commission to perform bartending
10 duties. However, the person is not required to:

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

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

14 (2) The holder of the artisan distiller's permit and any
15 management representative of the holder of the artisan distiller's
16 permit are subject to the same alcohol server training
17 requirements and refresher course requirements as the holder of
18 an artisan distiller's permit that meets the requirements of section
19 5 of this chapter.

20 SECTION 44. IC 7.1-3-27-8, AS AMENDED BY P.L.285-2019,
21 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2021]: Sec. 8. (a) The holder of an artisan distiller's permit
23 may do only the following:

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

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

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

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

33 (A) places outside Indiana; or

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

35 (5) Sell liquor manufactured by the artisan distiller to consumers
36 by the drink, bottle, or case from the **licensed** premises of the
37 distillery where the liquor was manufactured. **Notwithstanding**
38 **IC 7.1-1-3-20, the licensed premises may include the distillery**
39 **parking lot or an area adjacent to the artisan distillery. The**
40 **parking lot or adjacent area may only be used for the purpose**
41 **of conveying alcoholic beverages and other nonalcoholic items**
42 **to a customer subject to section 8.1 of this chapter and may**



- 1 **not be used for point of sale purposes or any other purpose.**
 2 (6) Serve complimentary samples of the liquor manufactured by
 3 the artisan distiller to consumers on the premises of the distillery
 4 where the liquor was manufactured.
 5 (7) Sell liquor as authorized by this section for carryout on
 6 Sunday in a quantity at any one (1) time of not more than four and
 7 five-tenths (4.5) liters.
 8 (8) With the approval of the commission, participate:
 9 (A) individually; or
 10 (B) with other permit holders under this chapter, holders of
 11 farm winery permits, holders of brewer's permits issued under
 12 IC 7.1-3-2-2(b), or any combination of holders described in
 13 this clause;
 14 in a trade show or an exposition at which products of each permit
 15 holder participant are displayed, promoted, and sold. All of the
 16 permit holders may occupy the same tent, structure, or building.
 17 The commission may not grant to a holder of a permit under this
 18 chapter approval under this subdivision to participate in a trade
 19 show or exposition for more than forty-five (45) days in a
 20 calendar year.
 21 (9) Be the proprietor of a restaurant that is not subject to the
 22 minimum gross food sales or the minimum projected food sales
 23 set forth in 905 IAC 1-41-2 and the gross retail income
 24 requirements to sell carryout under IC 7.1-3-20-9.5. A holder is
 25 entitled to conduct the following activities:
 26 (A) Hold a beer retailer's permit, a wine retailer's permit, or a
 27 liquor retailer's permit for a restaurant.
 28 (B) Transfer liquor directly from the artisan distillery to a
 29 restaurant that the artisan distiller has an interest in by means
 30 of:
 31 (i) bottles;
 32 (ii) bulk containers; or
 33 (iii) a continuous flow system.
 34 (C) Install a window between the artisan distillery and an
 35 adjacent restaurant that allows the public and the holder of the
 36 permit to view both premises.
 37 (D) Install a doorway or other opening between the artisan
 38 distillery and an adjacent restaurant that provides the public
 39 and the holder of the permit with access to both the artisan
 40 distillery and restaurant.
 41 **(10) A holder that:**
 42 (A) **does not distribute through an Indiana liquor**



1 wholesaler is entitled under the artisan distiller's permit to
 2 sell and deliver to a person holding a liquor retailer or
 3 liquor dealer permit under this title:

4 (i) a total of not more than one hundred (100) proof
 5 gallons of the artisan distillery's liquor in a calendar
 6 year, if the artisan distillery has taken not more than five
 7 hundred (500) proof gallons out of bond the previous
 8 calendar year;

9 (ii) a total of not more than two hundred (200) proof
 10 gallons of the artisan distillery's liquor in a calendar
 11 year, if the artisan distillery has taken more than five
 12 hundred (500) proof gallons out of bond and not more
 13 than one thousand (1,000) proof gallons out of bond the
 14 previous calendar year; or

15 (iii) a total of not more than three hundred (300) proof
 16 gallons of the artisan distillery's liquor in a calendar
 17 year, if the artisan distillery has taken more than one
 18 thousand (1,000) proof gallons out of bond and not more
 19 than fifteen hundred (1,500) proof gallons out of bond
 20 the previous calendar year; or

21 (B) distributes through an Indiana liquor wholesaler is
 22 entitled under the artisan distiller's permit to sell and
 23 deliver to a person holding a liquor retailer or liquor
 24 dealer permit under this title the greater of:

25 (i) one hundred (100) proof gallons; or

26 (ii) fifty percent (50%) of the amount the permit holder
 27 distributed through an Indiana liquor wholesaler the
 28 previous calendar year, not to exceed three hundred
 29 (300) proof gallons.

30 (b) The holder of an artisan distiller's permit who provides samples
 31 or sells liquor by the glass must furnish the minimum food
 32 requirements prescribed by the commission.

33 (c) A storage facility used by an artisan distiller under subsection
 34 ~~(a)(3)(1)~~ (a)(3) must conform with federal laws, rules, and regulations.
 35 and (2) must not be used for any purposes except for the storage of
 36 liquor. An artisan distiller may transfer liquor from a separate
 37 storage facility back to the artisan distillery. An artisan distiller
 38 may sell or transfer liquor directly to a liquor wholesaler from a
 39 storage facility that is separate from the artisan distillery. An
 40 artisan distiller may not sell or transfer liquor from a storage
 41 facility to any other permittee or a consumer. The artisan distiller
 42 shall maintain an adequate written record of the liquor



1 transferred:

- 2 (1) between the artisan distillery and the storage facility; and
 3 (2) from the storage facility to the liquor wholesaler.

4 (d) The holder of an artisan distiller's permit may transport liquor to
 5 and from a brewery located within the same county for the purposes of
 6 carbonating and canning by the brewery. The activity under this
 7 subsection is not an interest under IC 7.1-5-9.

8 (e) An artisan distiller who knowingly or intentionally violates this
 9 section commits a Class B misdemeanor.

10 SECTION 45. IC 7.1-3-27-8.1 IS ADDED TO THE INDIANA
 11 CODE AS A NEW SECTION TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2021]: **Sec. 8.1. (a) This section applies to an**
 13 **artisan distillery that conveys alcoholic beverages to a customer in**
 14 **a parking lot or area adjacent to the artisan distillery as provided**
 15 **under section 8(a)(5) of this chapter.**

16 (b) Liquor must be:

- 17 (1) in the sealed original containers; and
 18 (2) placed by an employee of the permittee who is at least
 19 twenty-one (21) years of age:

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

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

23 (c) The parking lot or area where the alcoholic beverages are
 24 conveyed to the customer must be:

25 (1) well lit; and

26 (2) within clear view of the main entrance to the building of
 27 the artisan distillery premises.

28 SECTION 46. IC 7.1-3-28 IS ADDED TO THE INDIANA CODE
 29 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2021]:

31 **Chapter 28. Rye Whiskey**

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

34 (1) manufactured in Indiana;

35 (2) produced with a mash bill that is at least fifty-one percent
 36 (51%) rye;

37 (3) distilled to not more than one hundred sixty (160) proof or
 38 eighty percent (80%) alcohol by volume;

39 (4) aged in new, charred white oak barrels;

40 (5) placed in a barrel at not more than one hundred
 41 twenty-five (125) proof or sixty-two and one-half percent (62
 42 1/2%) alcohol by volume;



1 (6) rested in a rack house for two (2) years in Indiana; and
 2 (7) bottled at not less than eighty (80) proof or forty percent
 3 (40%) alcohol by volume.

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

- 6 (1) Indiana rye;
 7 (2) Indiana rye whiskey;
 8 (3) Indiana rye whisky;
 9 (4) Indiana sweet mash rye whiskey;
 10 (5) Indiana sweet mash rye whisky;
 11 (6) Indiana sour mash rye whiskey; or
 12 (7) Indiana sour mash rye whisky;

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

15 SECTION 47. IC 7.1-3-31 IS ADDED TO THE INDIANA CODE
 16 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2021]:

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

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

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

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

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

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

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

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

- 38 (1) Provide service of alcoholic beverages only by servers
 39 certified under IC 7.1-3-1.5.
 40 (2) Allow sales only during the times prescribed under
 41 IC 7.1-3-1-14.
 42 (3) Prohibit sales prohibited under IC 7.1-5-10-1.



- 1 **(4) Operate under rules adopted by the commission to protect**
 2 **the public interest under IC 7.1-1-1.**
- 3 **Sec. 6. A municipality or county (if the festival area is located in**
 4 **the unincorporated area of the county) may, by ordinance,**
 5 **establish requirements for the operation of the festival, including:**
 6 **(1) requiring festival participants to use only nonbreakable**
 7 **plastic bottles or plastic or paper cups for alcoholic beverages**
 8 **consumed in the festival area; or**
 9 **(2) requiring bottles or cups to be affixed with a logo that**
 10 **identifies the container for use only in the festival area.**
- 11 **Sec. 7. If the application is approved, the organizer permittee is**
 12 **entitled to allow festival participants to:**
 13 **(1) occupy the same building, structure, tent, or contiguous**
 14 **area; and**
 15 **(2) sell and serve alcoholic beverages to consumers by the**
 16 **drink and in the original containers for carryout.**
- 17 **Sec. 8. The term of an organizer permit is up to and including,**
 18 **three (3) days from its issuance. The commission may issue not**
 19 **more than one (1) organizer permit per calendar quarter for each**
 20 **county.**
- 21 **Sec. 9. (a) An organizer permittee shall provide every person**
 22 **within the festival area who is at least twenty-one (21) years of age**
 23 **with a nontransferable wristband identification imprinted with the**
 24 **name or logo of the festival.**
- 25 **(b) A festival participant may not sell alcoholic beverages to a**
 26 **person unless the person is wearing a wristband identification**
 27 **imprinted with the name or logo of the festival area.**
- 28 **(c) A organizer permittee commits a Class B infraction for a**
 29 **violation of this section.**
- 30 **Sec. 10. (a) An applicant for an organizer permit is not required**
 31 **to post notice and appear in front of the local board in which the**
 32 **permit premises is situated.**
- 33 **(b) An organizer permit authorized by this section may be**
 34 **issued without regard to the quota provisions of IC 7.1-3-22.**
- 35 **Sec. 11. A festival participant may sell or serve a consumer not**
 36 **more than one (1) open container of an alcoholic beverage at a**
 37 **time. The open container may not exceed the following:**
 38 **(1) An open container of beer or flavored malt beverage may**
 39 **not exceed sixteen (16) fluid ounces.**
 40 **(2) An open container of wine, including cider or hard seltzer,**
 41 **may not exceed twelve (12) fluid ounces.**
 42 **(3) An open container of a mixed drink containing at least one**



1 **(1) liquor and at least one (1) nonalcoholic mixer other than**
 2 **water or ice may not exceed ten (10) fluid ounces.**

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

5 **Sec. 12. A person may consume an alcoholic beverage purchased**
 6 **from a festival participant anywhere within the festival area**
 7 **designated as a common area for the consumption of alcoholic**
 8 **beverages.**

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

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

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

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

19 SECTION 48. IC 7.1-4-4.1-5, AS AMENDED BY P.L.214-2016,
 20 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2021]: Sec. 5. (a) This section applies to the following
 22 permits:

23 (1) Temporary beer permit.

24 (2) Temporary wine permit.

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

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

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

29 (c).

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

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

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

41 SECTION 49. IC 7.1-4-9-7, AS AMENDED BY P.L.224-2005,
 42 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2021]; Sec. 7. (a) Thirty-three percent (33%) of the money in
 2 the excise fund shall, upon warrant of the state auditor, be paid into the
 3 general fund of the treasury of the city or town in which the retailer's
 4 or dealer's licensed premises are located. The money shall be paid to
 5 the treasurer of the county in which the retailer's or dealer's premises
 6 are located if they are located outside the corporate limits of a city or
 7 town.

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

9 **(1) an annexation ordinance is filed under IC 36-4-3-22; or**

10 **(2) the second of the two (2) approvals of an annexation is**
 11 **filed under IC 36-3-2-7;**

12 **the annexing municipality shall provide notice to the chairman of**
 13 **the commission of any retailer's or dealer's premises located within**
 14 **the annexed territory. The notice shall be in writing, sent by**
 15 **certified mail, and must include the effective date of the annexation**
 16 **and the business name and street address of the retailer's or**
 17 **dealer's premises.**

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

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

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

27 SECTION 50. IC 7.1-5-7-11, AS AMENDED BY P.L.285-2019,
 28 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2021]; Sec. 11. (a) The provisions of sections 9 and 10 of this
 30 chapter shall not apply if the public place involved is one (1) of the
 31 following:

- 32 (1) Civic center.
 33 (2) Convention center.
 34 (3) Sports arena.
 35 (4) Bowling center.
 36 (5) Bona fide club.
 37 (6) Drug store.
 38 (7) Grocery store.
 39 (8) Boat.
 40 (9) Dining car.
 41 (10) Pullman car.
 42 (11) Club car.



- 1 (12) Passenger airplane.
- 2 (13) Horse racetrack facility holding a recognized meeting permit
- 3 under IC 4-31-5.
- 4 (14) Satellite facility (as defined in IC 4-31-2-20.5).
- 5 (15) Catering hall under IC 7.1-3-20-24 that is not open to the
- 6 public.
- 7 (16) That part of a restaurant which is separate from a room in
- 8 which is located a bar over which alcoholic beverages are sold or
- 9 dispensed by the drink.
- 10 (17) Entertainment complex.
- 11 (18) Indoor golf facility.
- 12 (19) A recreational facility such as a golf course, bowling center,
- 13 or similar facility that has the recreational activity and not the sale
- 14 of food and beverages as the principal purpose or function of the
- 15 person's business.
- 16 (20) A licensed premises owned or operated by a postsecondary
- 17 educational institution described in IC 21-17-6-1.
- 18 (21) An automobile racetrack.
- 19 (22) An indoor theater under IC 7.1-3-20-26.
- 20 (23) A senior residence facility campus (as defined in
- 21 IC 7.1-3-1-29(c)) at which alcoholic beverages are given or
- 22 furnished as provided under IC 7.1-3-1-29.
- 23 (24) A hotel other than a part of a hotel that is a room in a
- 24 restaurant in which a bar is located over which alcoholic
- 25 beverages are sold or dispensed by the drink.
- 26 (25) The location of an allowable event to which IC 7.1-3-6.1
- 27 applies.
- 28 (26) The location of a charity auction to which IC 7.1-3-6.2
- 29 applies.
- 30 (27) A farm winery and any additional locations of the farm
- 31 winery under IC 7.1-3-12, if the minor is in the company of a
- 32 parent, legal guardian or custodian, or family member who is at
- 33 least twenty-one (21) years of age and the minor is accompanied
- 34 by the adult in any area that the adult may be present whether or
- 35 not the area:
- 36 (A) is separated in any manner from where the wine is
- 37 manufactured, sold, or consumed within the farm winery
- 38 premises; or
- 39 (B) operates under a retailer's permit.
- 40 (28) An artisan distillery under IC 7.1-3-27, if:
- 41 (A) the person who holds the artisan distiller's permit also
- 42 holds a farm winery permit under IC 7.1-3-12; and



- 1 (B) the minor is in the company of a parent, legal guardian or
 2 custodian, or family member who is at least twenty-one (21)
 3 years of age.
- 4 (29) An art instruction studio under IC 7.1-5-8-4.6.
- 5 (30) The licensed premises of a food hall under IC 7.1-3-20-29
 6 and the food and beverage vending space of a food hall vendor
 7 permittee under IC 7.1-3-20-30. However, sections 9 and 10 of
 8 this chapter apply to a bar within the food and beverage vending
 9 space of a food hall vendor permittee under IC 7.1-3-20-30 that
 10 serves alcoholic beverages intended to be consumed while sitting
 11 or standing at the bar.
- 12 **(31) A festival area under IC 7.1-3-31.**
- 13 (b) For the purpose of this subsection, "food" means meals prepared
 14 on the licensed premises. It is lawful for a minor to be on licensed
 15 premises in a room in which is located a bar over which alcoholic
 16 beverages are sold or dispensed by the drink if all the following
 17 conditions are met:
- 18 (1) The minor is eighteen (18) years of age or older.
- 19 (2) The minor is in the company of a parent, guardian, or family
 20 member who is twenty-one (21) years of age or older.
- 21 (3) The purpose for being on the licensed premises is the
 22 consumption of food and not the consumption of alcoholic
 23 beverages.
- 24 SECTION 51. IC 7.1-5-7-13, AS AMENDED BY P.L.270-2017,
 25 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2021]: Sec. 13. (a) Section 12 of this chapter does not prohibit
 27 the following:
- 28 (1) The employment of a person at least eighteen (18) years of age
 29 but less than twenty-one (21) years of age on or about licensed
 30 premises where alcoholic beverages are sold, furnished, or given
 31 away for consumption either on or off the licensed premises, for
 32 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 (2) A person at least nineteen (19) years of age but less than
 39 twenty-one (21) years of age from ringing up a sale of alcoholic
 40 beverages in the course of the person's employment.
- 41 (3) A person who is at least nineteen (19) years of age but less
 42 than twenty-one (21) years of age and who has successfully



1 completed an alcohol server training program certified under
 2 IC 7.1-3-1.5 from serving alcoholic beverages in a dining area or
 3 family room of a restaurant or hotel:

4 (A) in the course of a person's employment as a waiter,
 5 waitress, or server; and

6 (B) under the supervision of a person who:

7 (i) is at least twenty-one (21) years of age;

8 (ii) is present at the restaurant or hotel; and

9 (iii) has successfully completed an alcohol server training
 10 program certified under IC 7.1-3-1.5 by the commission.

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

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

19 (A) The person is employed as an assistant on a delivery truck.

20 (B) The person's duties with respect to alcoholic beverages are
 21 limited to handling alcoholic beverages in connection with the
 22 loading, unloading, stowing, or storing of alcoholic beverages
 23 that are being delivered or picked up.

24 (C) The person does not sell, furnish, or deal in alcoholic
 25 beverages in any manner except as expressly permitted under
 26 clause (B).

27 (D) The person acts under the supervision of a driver holding
 28 a salesman's permit.

29 (E) The person does not collect money for the delivery or pick
 30 up.

31 (b) This chapter does not prohibit a person less than twenty-one (21)
 32 years of age from being on the premises of a brewery under
 33 IC 7.1-3-2-7(5), a farm winery, including any additional locations of
 34 the farm winery under IC 7.1-3-12-5, or an artisan distillery under
 35 ~~IC 7.1-3-27-5~~, **IC 7.1-3-27-8**, if the person is:

36 (1) the child, stepchild, grandchild, nephew, or niece of an owner
 37 of the:

38 (A) brewery;

39 (B) farm winery; or

40 (C) artisan distiller; and

41 (2) employed on the premises for a purpose other than:

42 (A) selling;



- 1 (B) furnishing, other than serving;
 2 (C) consuming; or
 3 (D) otherwise dealing in;
 4 alcoholic beverages.

5 A minor described in this subsection is not required to be accompanied
 6 by a parent, legal guardian or custodian, or family member who is at
 7 least twenty-one (21) years of age while on the premises of the brewery
 8 or farm winery.

9 SECTION 52. IC 36-3-2-7, AS AMENDED BY P.L.113-2010,
 10 SECTION 114, IS AMENDED TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) This section governs the
 12 transfer of territory that is either:

- 13 (1) inside the corporate boundaries of the consolidated city and
 14 contiguous to an excluded city; or
 15 (2) inside the corporate boundaries of an excluded city and
 16 contiguous to the consolidated city.

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

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

- 21 (1) a petition for annexation of that territory with the legislative
 22 body of the contiguous municipality; and
 23 (2) a petition for disannexation of that territory with the legislative
 24 body of the municipality containing that territory.

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

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

- 32 (1) Except as provided in subsection ~~(g)~~, **(h)**, if both legislative
 33 bodies approve, the transfer of territory takes effect:
 34 (A) on the effective date of the approval of the latter
 35 legislative body to act; and
 36 (B) when a copy of each transfer approval has been filed under
 37 subsection (f).
 38 (2) If the legislative body of the contiguous municipality
 39 disapproves or fails to act within the prescribed period, the
 40 proceedings are terminated.
 41 (3) If the legislative body of the contiguous municipality approves
 42 but the legislative body of the other municipality disapproves or



- 1 fails to act within the prescribed period, the proceedings are
 2 terminated unless there is an appeal under subsection (d).
 3 (d) In the case described by subsection (c)(3), the petitioners may,
 4 not later than sixty (60) days after the disapproval or expiration of the
 5 prescribed period, appeal to the circuit court. The appeal must allege
 6 that the benefits to be derived by the petitioners from the transfer
 7 outweigh the detriments to the municipality that has failed to approve,
 8 which is defendant in the appeal.
 9 (e) The court shall try an appeal under subsection (d) as other civil
 10 actions, but without a jury. If the court determines that:
 11 (1) the requirements of this section have been met; and
 12 (2) the benefits to be derived by the petitioners outweigh the
 13 detriments to the municipality;
 14 it shall order the transfer of territory to take effect on the date its order
 15 becomes final, subject to subsection ~~(g)~~; **(h)**, and shall file the order
 16 under subsection (f). However, if the municipality, or a district of it, is
 17 furnishing sanitary sewer service or municipal water service in the
 18 territory, or otherwise has expended substantial sums for public
 19 facilities (other than roads) specially benefiting the territory, the court
 20 shall deny the transfer.
 21 (f) A municipal legislative body that approves a transfer of territory
 22 under subsection (c) or a court that approves a transfer under
 23 subsection (e) shall file a copy of the approval or order, setting forth a
 24 legal description of the territory to be transferred, with:
 25 (1) the office of the secretary of state; and
 26 (2) the circuit court clerk of each county in which the
 27 municipality is located.
 28 **(g) Not later than ten (10) days after the second of the two (2)**
 29 **approvals is filed under subsection (f), the municipality that**
 30 **annexes the territory shall provide notice to the chairman of the**
 31 **alcohol and tobacco commission as set forth in IC 7.1-4-9-7 of any**
 32 **retailer's or dealer's premises located within the annexed territory.**
 33 ~~(g)~~ **(h)** A transfer of territory under this section may not take effect
 34 during the year preceding a year in which a federal decennial census is
 35 conducted. A transfer of territory that would otherwise take effect
 36 during the year preceding a year in which a federal decennial census is
 37 conducted takes effect January 1 of the year in which a federal
 38 decennial census is conducted.
 39 ~~(h)~~ **(i)** A petition for annexation or disannexation under this section
 40 may not be filed with respect to land as to which a transfer of territory
 41 has been disapproved or denied within the preceding three (3) years.
 42 ~~(i)~~ **(j)** The legislative body of a municipality annexing territory



1 under this section shall assign the territory to at least one (1) municipal
2 legislative body district under IC 36-3-4-3 or IC 36-4-6 not later than
3 thirty (30) days after the transfer of territory becomes effective under
4 this section.

5 ~~(j)~~ **(k)** Notwithstanding subsection ~~(g)~~ **(h)** as that subsection existed
6 on December 31, 2009, a transfer of territory that took effect January
7 2, 2010, because of the application of subsection ~~(g)~~; **(h)**, as that
8 subsection existed on December 31, 2009, is instead considered to take
9 effect January 1, 2010, without any additional action being required.

10 SECTION 53. IC 36-4-3-22.1 IS ADDED TO THE INDIANA
11 CODE AS A NEW SECTION TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2021]: **Sec. 22.1. Not later than ten (10) days**
13 **after an annexation ordinance is filed under section 22 of this**
14 **chapter, the annexing municipality shall provide notice to the**
15 **chairman of the alcohol and tobacco commission in accordance**
16 **with IC 7.1-4-9-7 of any licensed premises located within the**
17 **annexed territory.**

18 SECTION 54. An emergency is declared for this act.



COMMITTEE REPORT

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

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 7.1-1-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. ~~Beer.~~ The term "beer" means an alcoholic beverage obtained by the fermentation of:

- (1) an infusion or decoction of:
 - (A) barley malt or other cereal; and
 - (B) hops;
- in water; **or**

(2) **cereal byproducts.**".

Page 1, line 13, strike "one (1)" and insert "**two (2)**".

Page 1, line 15, after "primarily" insert "**as a fine arts theater or**".

Page 2, between lines 4 and 5, begin a new paragraph and insert:

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

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

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

- (A) Beer.
- (B) Lager.
- (C) Pilsner.
- (D) Stout.
- (E) Porter.
- (F) Ale.
- (G) Cider.
- (H) Framboise.
- (I) Lambic.



- (J) Draft.
- (K) Liquor.
- (L) Bitter.
- (M) Brew.

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

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

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

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

"(m) Upon written request, the local board must provide to an individual by electronic mail a copy of the local board monthly hearing schedule. After an individual first requests the monthly hearing schedule, the local board must provide that individual with all subsequent monthly hearing schedules, unless the individual requests to no longer receive the monthly schedules. The schedule must be provided to the requesting individual not later than twenty-four (24) hours after the schedule is posted."

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

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

Page 15, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 20. IC 7.1-3-6-17 IS ADDED TO INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 17. (a) Notwithstanding any other law, the holder of a retailer's permit, may allow:

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

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

(b) The permittee or permittees described in subsection (a) may



provide complimentary samples of their own products and sell their own products to consumers by the glass or for carryout at the location that is subject to the retailer's permit or supplemental caterer's permit."

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

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

"(2) The area is:

(A) within a tract that contains a premises that is described in IC 7.1-3-1-14(d)(2);

(B) in close proximity or adjacent to the concourse of or within the building or facility; or

(C) within a restricted access club area of or within the building or facility."

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

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

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

Page 19, delete line 26.

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

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

Page 19, line 28, strike "or".

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

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

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

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

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

"(14) A holder that:

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

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

(ii) a total of not more than two thousand (2,000) gallons of the farm winery's wine in a calendar year, if the farm winery has taken more than five thousand (5,000) gallons out of bond and not more than ten thousand (10,000)



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

(B) distributes through an Indiana wine wholesaler is entitled under the farm winery permit to sell and deliver to a person holding a wine retailer or wine dealer permit under this title the greater of:

- (i) one thousand (1,000) gallons; or**
- (ii) fifty percent (50%) of the amount the permit holder distributed through an Indiana wholesaler the previous calendar year, not to exceed three thousand (3,000) gallons."**

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

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

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

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

"(10) A holder that:

(A) does not distribute through an Indiana liquor wholesaler is entitled under the artisan distiller's permit to sell and deliver to a person holding a liquor retailer or liquor dealer permit under this title:

- (i) a total of not more than one hundred (100) proof gallons of the artisan distillery's liquor in a calendar year, if the artisan distillery has taken not more than five hundred (500) proof gallons out of bond the previous calendar year;**
- (ii) a total of not more than two hundred (200) proof gallons of the artisan distillery's liquor in a calendar year, if the artisan distillery has taken more than five hundred (500) proof gallons out of bond and not more than one thousand (1,000) proof gallons out of bond the previous calendar year; or**
- (iii) a total of not more than three hundred (300) proof**



gallons of the artisan distillery's liquor in a calendar year, if the artisan distillery has taken more than one thousand (1,000) proof gallons out of bond and not more than fifteen hundred (1,500) proof gallons out of bond the previous calendar year; or

(B) distributes through an Indiana liquor wholesaler is entitled under the artisan distiller's permit to sell and deliver to a person holding a liquor retailer or liquor dealer permit under this title the greater of:

(i) one hundred (100) proof gallons; or

(ii) fifty percent (50%) of the amount the permit holder distributed through an Indiana liquor wholesaler the previous calendar year, not to exceed three hundred (300) proof gallons."

Page 34, delete lines 1 through 2.

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

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

Chapter 31. Craft Festival Organizer Permit

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

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

(1) a brewer's permit that has received the commission's approval under IC 7.1-3-2-7(5)(J);

(2) a farm winery that has received the commission's approval under IC 7.1-3-12-5(c); or

(3) an artisan distiller's permit that has received the commission's approval under IC 7.1-3-27-8(a)(8);

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

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

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

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



- (1) Provide service of alcoholic beverages only by servers certified under IC 7.1-3-1.5.
- (2) Allow sales only during the times prescribed under IC 7.1-3-1-14.
- (3) Prohibit sales prohibited under IC 7.1-5-10-1.
- (4) Operate under rules adopted by the commission to protect the public interest under IC 7.1-1-1.

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

- (1) requiring festival participants to use only nonbreakable plastic bottles or plastic or paper cups for alcoholic beverages consumed in the festival area; or
- (2) requiring bottles or cups to be affixed with a logo that identifies the container for use only in the festival area.

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

- (1) occupy the same building, structure, tent, or contiguous area; and
- (2) sell and serve alcoholic beverages to consumers by the drink and in the original containers for carryout.

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

(1) Temporary beer permit.

(2) Temporary wine permit.

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

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

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

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

(d) A license fee for a temporary permit issued under IC 7.1-3-6-3.8



is two thousand five hundred dollars (\$2,500).

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

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

- (1) Civic center.
- (2) Convention center.
- (3) Sports arena.
- (4) Bowling center.
- (5) Bona fide club.
- (6) Drug store.
- (7) Grocery store.
- (8) Boat.
- (9) Dining car.
- (10) Pullman car.
- (11) Club car.
- (12) Passenger airplane.
- (13) Horse racetrack facility holding a recognized meeting permit under IC 4-31-5.
- (14) Satellite facility (as defined in IC 4-31-2-20.5).
- (15) Catering hall under IC 7.1-3-20-24 that is not open to the public.
- (16) That part of a restaurant which is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
- (17) Entertainment complex.
- (18) Indoor golf facility.
- (19) A recreational facility such as a golf course, bowling center, or similar facility that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.
- (20) A licensed premises owned or operated by a postsecondary educational institution described in IC 21-17-6-1.
- (21) An automobile racetrack.
- (22) An indoor theater under IC 7.1-3-20-26.
- (23) A senior residence facility campus (as defined in IC 7.1-3-1-29(c)) at which alcoholic beverages are given or furnished as provided under IC 7.1-3-1-29.



(24) A hotel other than a part of a hotel that is a room in a restaurant in which a bar is located over which alcoholic beverages are sold or dispensed by the drink.

(25) The location of an allowable event to which IC 7.1-3-6.1 applies.

(26) The location of a charity auction to which IC 7.1-3-6.2 applies.

(27) A farm winery and any additional locations of the farm winery under IC 7.1-3-12, if the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age and the minor is accompanied by the adult in any area that the adult may be present whether or not the area:

(A) is separated in any manner from where the wine is manufactured, sold, or consumed within the farm winery premises; or

(B) operates under a retailer's permit.

(28) An artisan distillery under IC 7.1-3-27, if:

(A) the person who holds the artisan distiller's permit also holds a farm winery permit under IC 7.1-3-12; and

(B) the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age.

(29) An art instruction studio under IC 7.1-5-8-4.6.

(30) The licensed premises of a food hall under IC 7.1-3-20-29 and the food and beverage vending space of a food hall vendor permittee under IC 7.1-3-20-30. However, sections 9 and 10 of this chapter apply to a bar within the food and beverage vending space of a food hall vendor permittee under IC 7.1-3-20-30 that serves alcoholic beverages intended to be consumed while sitting or standing at the bar.

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

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

(1) The minor is eighteen (18) years of age or older.

(2) The minor is in the company of a parent, guardian, or family member who is twenty-one (21) years of age or older.

(3) The purpose for being on the licensed premises is the consumption of food and not the consumption of alcoholic



beverages."
Renumber all SECTIONS consecutively.
and when so amended that said bill do pass.

(Reference is to HB 1396 as introduced.)

SMALTZ

Committee Vote: yeas 10, nays 0.

