



Reprinted  
February 17, 2021

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## HOUSE BILL No. 1396

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DIGEST OF HB 1396 (Updated February 16, 2021 5:53 pm - DI 87)

**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  
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**Effective:** Upon passage; July 1, 2021.

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### Smaltz, Clere, Bartels

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January 14, 2021, read first time and referred to Committee on Public Policy.  
February 11, 2021, amended, reported — Do Pass.  
February 16, 2021, read second time, amended, ordered engrossed.

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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 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

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## Digest Continued

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 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.

**HB 1396—LS 7378/DI 87**





Reprinted  
February 17, 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

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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 7.1-3-1-30 IS ADDED TO THE INDIANA CODE  
 20 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 21 1, 2021]: **(a) This section applies to a permittee that sells and**  
 22 **delivers alcoholic beverages to a consumer's residence, regardless**  
 23 **of whether the delivery is made by the permittee, permittee's**  
 24 **employees, or (if allowed under the permittee's permit) a third**  
 25 **party delivery service.**

26 **(b) A person delivering alcoholic beverages to a customer's**  
 27 **residence must require the customer to provide proof of age in**  
 28 **accordance with IC 7.1-5-10-23.**

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

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

38 **(2) To make an initial request for deposit of a permit, the**  
 39 **permit holder must submit documentation of the 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 and the permit**



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



1 (4) a corporation organized and existing under the laws of Indiana  
 2 and having authority under its charter to manufacture or sell beer.  
 3 The permit does not limit the number of barrels of beer in a calendar  
 4 year that the brewer may manufacture for sale or distribution outside  
 5 Indiana.

6 (b) The commission may issue a brewer's permit to a brewer for a  
 7 brewery that manufactures not more than ninety thousand (90,000)  
 8 barrels of beer in a calendar year for sale or distribution within Indiana.  
 9 The commission may issue more than one (1) permit under this  
 10 subsection to a brewer if the brewer manufactures, at all of the brewer's  
 11 breweries located in Indiana, an aggregate of not more than ninety  
 12 thousand (90,000) barrels of beer in a calendar year for sale or  
 13 distribution within Indiana. The commission may issue a permit under  
 14 this subsection only to:

- 15 (1) an individual;
- 16 (2) a partnership organized and existing under the laws of  
 17 Indiana;
- 18 (3) a limited liability company organized and existing under the  
 19 laws of Indiana; or
- 20 (4) a corporation organized and existing under the laws of  
 21 Indiana.

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

25 SECTION 14. IC 7.1-3-2-7, AS AMENDED BY P.L.285-2019,  
 26 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 27 JULY 1, 2021]: Sec. 7. The holder of a brewer's permit or an  
 28 out-of-state brewer holding either a primary source of supply permit or  
 29 an out-of-state brewer's permit may do the following:

- 30 (1) Manufacture beer.
- 31 (2) Place beer in containers or bottles.
- 32 (3) Transport beer.
- 33 (4) Sell and deliver beer to a person holding a beer wholesaler's  
 34 permit issued under IC 7.1-3-3.
- 35 (5) If the brewer manufactures, at all of the brewer's breweries  
 36 located in Indiana, an aggregate of not more than ninety thousand  
 37 (90,000) barrels of beer in a calendar year for sale or distribution  
 38 within Indiana, the permit holder may do the following:
  - 39 (A) Sell and deliver a total of not more than thirty thousand  
 40 (30,000) barrels of beer in a calendar year to a person holding  
 41 a retailer or a dealer permit under this title. The total number  
 42 of barrels of beer that the permit holder may sell and deliver



- 1 under this clause in a calendar year may not exceed thirty  
 2 thousand (30,000) barrels of beer.
- 3 (B) Be the proprietor of a restaurant that is not subject to the  
 4 minimum gross food sales or the minimum projected food  
 5 sales set forth in 905 IAC 1-41-2.
- 6 (C) Hold a beer retailer's permit, a wine retailer's permit, or a  
 7 liquor retailer's permit for a restaurant established under clause  
 8 (B).
- 9 (D) Transfer beer directly from the brewery to the restaurant  
 10 by means of:  
 11 (i) bulk containers; or  
 12 (ii) a continuous flow system.
- 13 (E) Install a window between the brewery and an adjacent  
 14 restaurant that allows the public and the permittee to view both  
 15 premises.
- 16 (F) Install a doorway or other opening between the brewery  
 17 and an adjacent restaurant that provides the public and the  
 18 permittee with access to both premises.
- 19 (G) Sell the brewery's beer by the glass for consumption on the  
 20 premises. Brewers permitted to sell beer by the glass under  
 21 this clause must make food available for consumption on the  
 22 premises. A brewer may comply with the requirements of this  
 23 clause by doing any of the following:  
 24 (i) Allowing a vehicle of transportation that is a food  
 25 establishment (as defined in IC 16-18-2-137) to serve food  
 26 near the brewer's licensed premises.  
 27 (ii) Placing menus in the brewer's premises of restaurants  
 28 that will deliver food to the brewery.  
 29 (iii) Providing food prepared at the brewery.
- 30 (H) Sell and deliver beer to a consumer at the ~~permit licensed~~  
 31 premises of the brewer or at the residence of the consumer.  
 32 **Notwithstanding IC 7.1-1-3-20, the licensed premises may**  
 33 **include the brewery parking lot or an area adjacent to the**  
 34 **brewery that may only be used for the purpose of**  
 35 **conveying alcoholic beverages and other nonalcoholic**  
 36 **items to a customer subject to section 10 of this chapter,**  
 37 **and may not be used for point of sale purposes or any**  
 38 **other purpose.** The delivery to a consumer may be made only  
 39 in a quantity at any one (1) time of not more than one-half  
 40 (1/2) barrel, but the beer may be contained in bottles or other  
 41 permissible containers.
- 42 (I) Sell the brewery's beer as authorized by this section for



1 carryout on Sunday in a quantity at any one (1) time of not  
 2 more than five hundred seventy-six (576) ounces. A brewer's  
 3 beer may be sold under this clause at any address for which the  
 4 brewer holds a brewer's permit issued under this chapter if the  
 5 address is located within the same city boundaries in which the  
 6 beer was manufactured.

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

8 (i) individually; or

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

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

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

20 (i) separate from the brewery; and

21 (ii) owned or leased by the permit holder.

22 **A brewer may transfer beer from a building described in**  
 23 **this clause back to the brewery.** A brewer may not sell or  
 24 transfer beer directly to a ~~permittee or consumer beer~~  
 25 **wholesaler** from a building described in this clause, **but may**  
 26 **not sell or transfer beer from the building to any other**  
 27 **permittee or a consumer. The brewer shall maintain an**  
 28 **adequate written record of the beer transferred:**

29 (i) **between the brewery and the separate building; and**

30 (ii) **from the separate building to the wholesaler.**

31 (L) Sell the brewery's beer to the holder of a supplemental  
 32 caterer's permit issued under IC 7.1-3-9.5 for on-premises  
 33 consumption only at an event that is held outdoors on property  
 34 that is contiguous to the brewery as approved by the  
 35 commission.

36 (M) Receive liquor from the holder of a distiller's permit  
 37 issued under IC 7.1-3-7 or the holder of an artisan distiller's  
 38 permit under IC 7.1-3-27 that is located in the same county as  
 39 the brewery for the purpose of carbonating and canning the  
 40 liquor. Upon the completion of canning of the liquor, the  
 41 product must be returned to the original production facility  
 42 within forty-eight (48) hours. The activity under this clause is



- 1 not an interest under IC 7.1-5-9.
- 2 (6) If the brewer's brewery manufactures more than ninety  
3 thousand (90,000) barrels of beer in a calendar year for sale or  
4 distribution within Indiana, the permit holder may own a portion  
5 of the corporate stock of another brewery that:
- 6 (A) is located in the same county as the brewer's brewery;  
7 (B) manufactures less than ninety thousand (90,000) barrels of  
8 beer in a calendar year; and  
9 (C) is the proprietor of a restaurant that operates under  
10 subdivision (5).
- 11 (7) Provide complimentary samples of beer that are:  
12 (A) produced by the brewer; and  
13 (B) offered to consumers for consumption on the brewer's  
14 premises.
- 15 (8) Own a portion of the corporate stock of a sports corporation  
16 that:
- 17 (A) manages a minor league baseball stadium located in the  
18 same county as the brewer's brewery; and  
19 (B) holds a beer retailer's permit, a wine retailer's permit, or a  
20 liquor retailer's permit for a restaurant located in that stadium.
- 21 (9) For beer described in IC 7.1-1-2-3(a)(4):  
22 (A) may allow transportation to and consumption of the beer  
23 on the licensed premises; and  
24 (B) may not sell, offer to sell, or allow sale of the beer on the  
25 licensed premises.
- 26 SECTION 15. IC 7.1-3-2-10 IS ADDED TO THE INDIANA CODE  
27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
28 1, 2021]: **(a) This section applies to a permittee that conveys  
29 alcoholic beverages to a customer in a parking lot or area adjacent  
30 to the brewery as provided under section 7(5)(H) of this chapter.**
- 31 **(b) Alcoholic beverages must be:**  
32 **(1) in sealed containers; and**  
33 **(2) placed by an employee of the permittee who is at least  
34 twenty-one (21) years of age:**  
35 **(A) in the trunk of the motor vehicle; or**  
36 **(B) behind the last upright seat of the motor vehicle, if the  
37 motor vehicle is not equipped with a trunk.**
- 38 **(c) The employee of the permittee that conveys the alcoholic  
39 beverages to the customer must require the customer to provide  
40 proof of age in accordance with IC 7.1-5-10-23.**
- 41 **(d) The parking lot or area where the alcoholic beverages are  
42 conveyed to the customer must be:**





1           **(1) well lit; and**

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

4           SECTION 16. IC 7.1-3-4-0.1 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2021]: **Sec. 0.1. The amendment made to**  
 7 **section 2 of this chapter by the 2021 regular session of the general**  
 8 **assembly and the addition of section 2.5 of this chapter do not**  
 9 **apply to an individual who renews an alcoholic beverage permit**  
 10 **after June 30, 2021, that the individual held before July 1, 2021.**

11           SECTION 17. IC 7.1-3-4-2, AS AMENDED BY P.L.285-2019,  
 12 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2021]: Sec. 2. (a) The commission shall not issue a beer  
 14 retailer's permit, except as otherwise authorized in this title and subject  
 15 to the other restrictions contained in this title, to the following persons:

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

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

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

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

25           (B) an Indiana Class A, Class B, or Class C felony (for a crime  
 26 committed before July 1, 2014) or a Level 1, Level 2, Level 3,  
 27 Level 4, or Level 5 felony (for a crime committed after June  
 28 30, 2014); or

29           (C) a crime in a state other than Indiana having a penalty equal  
 30 to the penalty for an Indiana Class A, Class B, or Class C  
 31 felony (for a crime committed before July 1, 2014) or a Level  
 32 1, Level 2, Level 3, Level 4, or Level 5 felony (for a crime  
 33 committed after June 30, 2014).

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

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

39           (5) A law enforcement officer or an officer who is not an elected  
 40 officer of a municipal corporation, or governmental subdivision,  
 41 or of Indiana, charged with any duty or function in the  
 42 enforcement of this title.



- 1 (6) An officer or employee of a person engaged in the alcoholic  
 2 beverage traffic, which person is a nonresident of Indiana, or is  
 3 engaged in carrying on any phase of the manufacture of, traffic in,  
 4 or transportation of alcoholic beverages without a permit under  
 5 this title when a permit is required by this title.
- 6 (7) If the permit applicant does not hold a brewer's permit, a  
 7 person who leases from a person, or an officer or agent of that  
 8 person, who holds a brewer's permit or a beer wholesaler's permit.
- 9 (8) If the permit applicant does not hold a brewer's permit, a  
 10 person who is indebted to a person who holds a brewer's permit  
 11 or a beer wholesaler's permit, or an officer or agent of that person,  
 12 for a debt secured by a lien, mortgage, or otherwise, upon the  
 13 premises for which the beer retailer's permit is to be applicable,  
 14 or upon any of the property or fixtures on the premises, or used,  
 15 or to be used in connection with the premises.
- 16 (9) A person whose place of business is conducted by a manager  
 17 or agent, unless the manager or agent possesses the same  
 18 qualifications required for the issuance of a beer retailer's permit  
 19 to the person.
- 20 (10) A minor.
- 21 (11) A person non compos mentis.
- 22 (12) A person who has held a permit under this title and who has  
 23 had that permit revoked within one (1) year prior to the date of  
 24 application for a beer retailer's permit.
- 25 (13) A person who has made an application for a permit of any  
 26 type which has been denied less than one (1) year prior to the  
 27 person's application for a beer retailer's permit unless the first  
 28 application was denied by reason of a procedural or technical  
 29 defect.
- 30 (14) A person who is not the proprietor of a restaurant located and  
 31 being operated on the premises described in the application for  
 32 the beer retailer's permit, or of a hotel, or of a club, owning, or  
 33 leasing the premises as a part of it. The disqualification contained  
 34 in this subdivision shall not apply to the qualifications for or  
 35 affect the privileges to be accorded under a beer dealer's permit  
 36 or a dining car beer permit.
- 37 (b) Subsection (a)(10) does not prevent a minor from being a  
 38 stockholder in a corporation.
- 39 SECTION 18. IC 7.1-3-4-2.5 IS ADDED TO THE INDIANA  
 40 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 41 [EFFECTIVE JULY 1, 2021]: **Sec. 2.5. For purposes of section**  
 42 **2(a)(1) of this chapter, documentary evidence of legal presence**



1 status in the United States is evidence that an individual:

- 2 (1) is a citizen or national of the United States;  
 3 (2) is an alien lawfully admitted for permanent residence in  
 4 the United States;  
 5 (3) has conditional permanent resident status in the United  
 6 States;  
 7 (4) has an approved application for asylum in the United  
 8 States or has entered into the United States in refugee status;  
 9 (5) is an alien lawfully admitted for temporary residence in  
 10 the United States;  
 11 (6) has a valid unexpired nonimmigrant visa or nonimmigrant  
 12 visa status for entry into the United States;  
 13 (7) has a pending application for asylum in the United States;  
 14 (8) has a pending or approved application for temporary  
 15 protected status in the United States;  
 16 (9) has approved deferred action status; or  
 17 (10) has a pending application for adjustment of status to that  
 18 of an alien lawfully admitted for permanent residence in the  
 19 United States or conditional permanent resident status in the  
 20 United States.

21 SECTION 19. IC 7.1-3-4-6 IS AMENDED TO READ AS  
 22 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) The holder of a  
 23 beer retailer's permit shall be entitled to purchase beer for sale under  
 24 his permit only from a permittee entitled to sell to him under this title.  
 25 A beer retailer shall be entitled to possess beer and sell it at retail to a  
 26 customer for consumption on the licensed premises. A beer retailer also  
 27 shall be entitled to sell beer to a customer and deliver it in permissible  
 28 containers to the customer on the licensed premises, or to the  
 29 customer's house.

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

37 (c) A beer retailer shall be entitled to sell and deliver warm or cold  
 38 beer for carry out, or for at-home delivery, in barrels or other  
 39 commercial containers in a quantity that does not exceed fifteen and  
 40 one-half (15 1/2) gallons at any one (1) time. **A beer retailer that  
 41 delivers beer to a customer's residence must require the customer  
 42 to provide proof of age in accordance with IC 7.1-5-10-23.**



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

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

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

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

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

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

20           (e) The employee of the permittee that conveys the alcoholic  
21 beverages to the customer must require the customer to provide  
22 proof of age in accordance with IC 7.1-5-10-23.

23           (f) 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 retailer premises.

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

32                   (1) holds the financial investment in; and

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

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

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

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

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

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



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

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

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

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

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

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

15 (B) is in good repute; and

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

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

28 SECTION 22. IC 7.1-3-6-17 IS ADDED TO INDIANA CODE AS  
 29 A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 30 2021]: Sec. 17. (a) Notwithstanding any other law, the holder of a  
 31 retailer's permit, may allow:

32 (1) a brewery under IC 7.1-3-2-7(5);

33 (2) a farm winery under IC 7.1-3-12;

34 (3) an artisan distillery under IC 7.1-3-27; or

35 (4) any combination of (1) through (3);

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

41 (b) The permittee or permittees described in subsection (a) may  
 42 provide complimentary samples of their own products and sell



1 **their own products to consumers by the glass or for carryout at the**  
 2 **location that is subject to the retailer's permit or supplemental**  
 3 **caterer's permit.**

4 SECTION 23. IC 7.1-3-9-9 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. (a) The holder of a  
 6 liquor retailer's permit shall be entitled to purchase liquor only from a  
 7 permittee entitled to sell to him under this title. A liquor retailer shall  
 8 be entitled to possess liquor and sell it at retail to a customer for  
 9 consumption on the licensed premises. A liquor retailer also shall be  
 10 entitled to sell liquor to a customer and deliver it in permissible  
 11 containers to the customer on the licensed premises, or to the  
 12 customer's house.

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

20 (c) A liquor retailer shall not be entitled to sell and deliver liquor for  
 21 carry out, or for at-home delivery, in a quantity that exceeds four (4)  
 22 quarts at any one (1) time. **A liquor retailer that delivers liquor to a**  
 23 **customer's residence must require the customer to provide proof**  
 24 **of age in accordance with IC 7.1-5-10-23.**

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

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

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

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

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

40 A retailer permittee may only convey a customer's order of  
 41 alcoholic beverages to the customer, if the customer has also  
 42 purchased a meal from the retailer permittee that is conveyed to



1 the customer at the same time as the alcoholic beverages.

2 (e) The employee of the permittee that conveys the alcoholic  
3 beverages to the customer must require the customer to provide  
4 proof of age in accordance with IC 7.1-5-10-23.

5 (f) 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 24. IC 7.1-3-9-12, AS AMENDED BY P.L.1-2018,  
11 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 UPON PASSAGE]: Sec. 12. (a) This section applies to:

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

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

22 (b) As used in this section, "grab and go store" means an area  
23 in a building or facility referred to in subsection (a) that satisfies  
24 all of the following:

25 (1) The area customarily offers food, alcoholic beverages,  
26 nonalcoholic beverages, and other items for sale.

27 (2) The area is:

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

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

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

34 (3) The area is:

35 (A) delineated by nonpermanent stanchions or some other  
36 barrier providing for clear entrance and exit points; and

37 (B) indicated on the floor plan approved by the  
38 commission.

39 (4) The area is accessible only by persons who possess a ticket  
40 to an event held in the building or facility.

41 The term does not include a suite, restaurant, lounge, or concession  
42 area, even if access to the suite, restaurant, lounge, or concession



1 **area is limited to certain ticket holders. However, a grab and go**  
 2 **store may operate within a restricted access club area that is in**  
 3 **close proximity, adjacent to, or within a restaurant or lounge.**

4 ~~(b)~~ **(c)** As used in this section, "suite" means an area in a building  
 5 or facility referred to in subsection (a) that:

- 6 (1) is not accessible to the general public;  
 7 (2) has accommodations for not more than seventy-five (75)  
 8 persons per suite; and  
 9 (3) is accessible only to persons who possess a ticket:  
 10 (A) to an event in a building or facility referred to in  
 11 subsection (a); and  
 12 (B) that entitles the person to occupy the area while viewing  
 13 the event described in clause (A).

14 The term does not include a restaurant, lounge, or concession area,  
 15 even if access to the restaurant, lounge, or concession area is limited to  
 16 certain ticket holders.

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

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

- 20 (1) possesses a ticket described in subsection ~~(b)(3)~~ **(b)(4) or**  
 21 **(c)(3);** and  
 22 (2) is at least twenty-one (21) years of age;

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

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

- 26 (1) Demand that a person occupying a suite provide:  
 27 (A) a written statement under IC 7.1-5-7-4; ~~and or~~  
 28 (B) identification indicating that the person is at least  
 29 twenty-one (21) years of age.  
 30 (2) Supervise the self-service of alcoholic beverages **in the suite.**  
 31 (3) Have an employee in the suite who **has a valid server**  
 32 **certificate under IC 7.1-3-1.5** and holds an employee permit  
 33 under IC 7.1-3-18-9 to serve ~~some or all~~ of the alcoholic  
 34 beverages.

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

- 36 **(1) Require a purchaser to provide proof of age in accordance**  
 37 **with IC 7.1-5-10-23.**  
 38 **(2) Ensure all employees are at least twenty-one (21) years of**  
 39 **age.**  
 40 **(3) Have employees supervise the self-service of alcoholic**  
 41 **beverages.**  
 42 **(4) Have an employee present during the store's business**





1           **hours who has a valid server certificate under IC 7.1-3-1.5**  
 2           **and holds an employee permit under IC 7.1-3-18-9 to sell**  
 3           **alcoholic beverages to ensure compliance with this title,**  
 4           **including compliance with IC 7.1-5-7-8 and IC 7.1-5-10-15.**

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

7           SECTION 25. IC 7.1-3-12-3, AS AMENDED BY P.L.165-2006,  
 8           SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9           JULY 1, 2021]: Sec. 3. The commission may issue a farm winery  
 10          permit to a person who:

- 11           (1) is the proprietor of a farm winery;  
 12           (2) desires to commercially manufacture wine; and  
 13           (3) is either:  
 14                (A) an individual; or  
 15                (B) a partnership, limited liability company, or corporation  
 16                domiciled in or admitted to do business in Indiana.

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

20          SECTION 26. IC 7.1-3-12-5, AS AMENDED BY P.L.285-2019,  
 21          SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22          JULY 1, 2021]: Sec. 5. (a) The following apply to the holder of a farm  
 23          winery permit:

- 24           (1) A holder is entitled to manufacture wine and to **bottle place**  
 25           wine produced by the permit holder's farm winery **in bottles or**  
 26           **other permissible containers.**  
 27           (2) A holder is entitled to serve complimentary samples of the  
 28           winery's wine on the licensed premises or an outside area that is  
 29           contiguous to the licensed premises, as approved by the  
 30           commission if each employee who serves wine on the licensed  
 31           premises:  
 32                (A) holds an employee's permit under IC 7.1-3-18-9; and  
 33                (B) completes a server training program approved by the  
 34                commission.  
 35           (3) A holder is entitled to sell the winery's wine on the licensed  
 36           premises to consumers either by:  
 37                (A) the glass;  
 38                (B) the bottle;  
 39                (C) a box that contains a bag designed for storing and  
 40                dispensing wine; ~~or~~  
 41                (D) any combination of receptacles listed in clauses (A)  
 42                through (C); **or**



- 1           **(E) any other container permissible under federal law.**  
 2       **Notwithstanding IC 7.1-1-3-20, the licensed premises may**  
 3       **include the farm winery parking lot or an area adjacent to the**  
 4       **farm winery. The parking lot or adjacent area may only be**  
 5       **used for the purpose of conveying alcoholic beverages and**  
 6       **other nonalcoholic items to a customer subject to section 5.5**  
 7       **of this chapter, and may not be used for point of sale purposes**  
 8       **or any other purpose.**  
 9       (4) A holder is entitled to sell the winery's wine to consumers by  
 10      the bottle at a farmers' market that is operated on a nonprofit  
 11      basis.  
 12      (5) A holder is entitled to sell wine by:  
 13          (A) the bottle;  
 14          **(B) the can;**  
 15          ~~(B)~~ **(C)** a box that contains a bag designed for storing and  
 16          dispensing wine;  
 17          ~~(C)~~ **(D)** bulk container;  
 18          ~~(D)~~ **(E)** the case; or  
 19          ~~(E)~~ **(F)** any combination of receptacles listed in clauses (A)  
 20          through ~~(D)~~; **(E)**;  
 21      to a person who is the holder of a permit to sell wine at wholesale.  
 22      (6) A holder is exempt from the provisions of IC 7.1-3-14.  
 23      (7) A holder is entitled to advertise the name and address of any  
 24      retailer or dealer who sells wine produced by the permit holder's  
 25      winery.  
 26      (8) A holder for wine described in IC 7.1-1-2-3(a)(4):  
 27          (A) may allow transportation to and consumption of the wine  
 28          on the licensed premises; and  
 29          (B) may not sell, offer to sell, or allow the sale of the wine on  
 30          the licensed premises.  
 31      (9) A holder is entitled to purchase and sell bulk wine as set forth  
 32      in this chapter.  
 33      (10) A holder is entitled to sell wine as authorized by this section  
 34      for carryout on Sunday.  
 35      (11) A holder is entitled to sell and ship the farm winery's wine to  
 36      a person located in another state in accordance with the laws of  
 37      the other state.  
 38      (12) A holder is entitled to sell the farm winery's wine to the  
 39      holder of a supplemental caterer's permit issued under  
 40      IC 7.1-3-9.5 for on-premises consumption only at an event that is  
 41      held outdoors on property that is contiguous to the farm winery as  
 42      approved by the commission.



1 (13) A holder is entitled to be the proprietor of a restaurant that is  
 2 not subject to the minimum gross food sales or the minimum  
 3 projected food sales set forth in 905 IAC 1-41-2 and the gross  
 4 retail income requirements to sell carryout under IC 7.1-3-20-9.5.

5 A holder is entitled to conduct the following activities:

6 (A) Hold a beer retailer's permit, a wine retailer's permit, or a  
 7 liquor retailer's permit for a restaurant.

8 (B) Transfer wine directly from the farm winery to a restaurant  
 9 that the farm winery has an interest in by means of:

10 (i) bottles **or cans**;

11 (ii) bulk containers; or

12 (iii) a continuous flow system.

13 (C) Install a window between the farm winery and an adjacent  
 14 restaurant that allows the public and the holder of the permit  
 15 to view both premises.

16 (D) Install a doorway or other opening between the farm  
 17 winery and an adjacent restaurant that provides the public and  
 18 the holder of the permit with access to both the farm winery  
 19 and restaurant.

20 **(14) A holder that:**

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

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

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

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

40 **(B) distributes through an Indiana wine wholesaler is**  
 41 **entitled under the farm winery permit to sell and deliver to**  
 42 **a person holding a wine retailer or wine dealer permit**



1                   **under this title the greater of:**

2                   **(i) one thousand (1,000) gallons; or**

3                   **(ii) fifty percent (50%) of the amount the permit holder**  
 4                   **distributed through an Indiana wholesaler the previous**  
 5                   **calendar year, not to exceed three thousand (3,000)**  
 6                   **gallons.**

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

13                   **(c) A farm winery may transfer wine from a storage facility or**  
 14 **an additional location described in subsection (b). A farm winery**  
 15 **may sell or transfer wine directly to a wine wholesaler from a**  
 16 **storage facility separate from the farm winery or an additional**  
 17 **location described in subsection (b). A farm winery may not sell or**  
 18 **transfer wine from a storage facility to any other permittee or a**  
 19 **consumer. The farm winery shall maintain an adequate written**  
 20 **record of wine transferred:**

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

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

23                   (↔) **(d)** With the approval of the commission, a holder of a permit  
 24 under this chapter may:

25                   (1) individually; or

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

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

36                   SECTION 27. IC 7.1-3-12-5.5 IS ADDED TO THE INDIANA  
 37 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 38 [EFFECTIVE JULY 1, 2021]: **Sec. 5.5. (a) This section applies to a**  
 39 **farm winery that conveys alcoholic beverages to a customer in a**  
 40 **parking lot or area adjacent to the farm winery as provided under**  
 41 **section 7 of this chapter.**

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



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

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

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

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

7           **(c) The employee of the permittee that conveys the alcoholic**  
 8           **beverages to the customer must require the customer to provide**  
 9           **proof of age in accordance with IC 7.1-5-10-23.**

10           **(d) The parking lot or area where the alcoholic beverages are**  
 11           **conveyed to the customer must be:**

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

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

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

23           (b) A wine retailer is not entitled to sell wine at wholesale. A wine  
 24           retailer is not entitled to sell and deliver wine on the street or at the  
 25           curb outside the licensed premises, nor is the wine retailer entitled to  
 26           sell wine at a place other than the licensed premises. However, a wine  
 27           retailer may offer food service (excluding alcoholic beverages) to a  
 28           patron who is outside the licensed premises by transacting business  
 29           through a window in the licensed premises.

30           (c) A wine retailer is entitled to sell and deliver wine for carry out,  
 31           or for at-home delivery. **A wine retailer that delivers wine to a**  
 32           **customer's residence must require the customer to provide proof**  
 33           **of age in accordance with IC 7.1-5-10-23.**

34           (d) **Notwithstanding IC 7.1-1-3-20, the licensed premises of the**  
 35           **wine retailer may include the wine retailer parking lot or an area**  
 36           **adjacent to the wine retailer that may only be used for the purpose**  
 37           **of conveying alcoholic beverages and other nonalcoholic items to**  
 38           **a customer, and may not be used for point of sale purposes or any**  
 39           **other purpose. Any alcoholic beverages conveyed to the customer**  
 40           **must be:**

41                 **(1) in the sealed original containers and placed in a bag that**  
 42                 **is stamped, printed, or labeled on the outside: "CONTAINS**



1           **ALCOHOLIC BEVERAGES"; and**

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

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

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

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

11           **(e) The employee of the permittee that conveys the alcoholic**  
 12           **beverages to the customer must require the customer to provide**  
 13           **proof of age in accordance with IC 7.1-5-10-23.**

14           **(f) The parking lot or area where the alcoholic beverages are**  
 15           **conveyed to the customer must be:**

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

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

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

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

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

37           (c) The commission may issue a one-, two-, or three-way retailer's  
 38           permit for on-premises consumption only to an applicant for a vendor's  
 39           permit that has been approved by the commission to operate within a  
 40           food hall. **However, a vendor to which section 31 of this chapter**  
 41           **applies may also sell the alcoholic beverages set forth in section**  
 42           **31(c) of this chapter for off the premises consumption.** Each vendor



1 that sells alcoholic beverages within the food hall must obtain a  
2 vendor's permit.

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

4 (1) Each vendor permittee shall:

5 (A) maintain the vendor permittee's own retail merchant's  
6 certificate; and

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

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

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

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

20 (5) Each vendor permittee is not required to comply with section  
21 9(b) of this chapter.

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

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

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

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

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

42 SECTION 31. IC 7.1-3-20-31 IS ADDED TO THE INDIANA

**HB 1396—LS 7378/DI 87**



1 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 2021]: **Sec. 31. (a) This section applies to the**  
 3 **holder of a vendor's permit that owns in whole or in part:**

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

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

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

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

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

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

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

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

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

20 (3) liquor manufactured under the artisan distiller's permit,  
 21 if the vendor's permit holder has a three-way retailer's  
 22 permit.

23 SECTION 32. IC 7.1-3-21-3 IS REPEALED [EFFECTIVE JULY  
 24 1, 2021]. Sec. 3. The commission shall not issue an alcoholic beverage  
 25 retailer's or dealer's permit of any type to a person who has not been a  
 26 continuous and bona fide resident of Indiana for five (5) years  
 27 immediately preceding the date of the application for a permit.

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

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

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

41 (2) the stock described in subdivision (1) constitutes a controlling  
 42 interest in the corporation.





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

4 SECTION 34. IC 7.1-3-21-5.2, AS AMENDED BY P.L.214-2016,  
 5 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2021]: Sec. 5.2. (a) The commission shall not issue an  
 7 alcoholic beverage retailer's permit of any type to a limited partnership  
 8 unless at least sixty percent (60%) of the partnership interest is owned  
 9 by persons who have been continuous and bona fide residents of  
 10 Indiana for five (5) years:

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

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

17 (2) the partnership interest described in subdivision (1)  
 18 constitutes a controlling interest in the limited partnership.

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

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

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

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

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

38 (c) Each manager and member of a limited liability company must  
 39 possess all other qualifications required of an individual applicant for  
 40 that particular type of permit.

41 SECTION 36. IC 7.1-3-21-5.6 IS REPEALED [EFFECTIVE JULY  
 42 1, 2021]. Sec. 5.6: (a) Notwithstanding section 5, 5.2, or 5.4 of this



1 chapter, the commission may renew or transfer ownership of a dealer's  
2 permit of any type for the holder of a dealer's permit who:

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

5 (2) does not qualify for the permit under section 5(b), 5-2(b), or  
6 5-4(b) of this chapter.

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

10 SECTION 37. IC 7.1-3-21-7 IS REPEALED [EFFECTIVE JULY  
11 1, 2021]. Sec. 7. The provisions of section 5 of this chapter shall not  
12 apply to the common stock ownership of a corporation holding a  
13 restaurant permit and having less than sixty percent (60%) resident  
14 ownership prior to March 14, 1963.

15 SECTION 38. IC 7.1-3-21-8 IS AMENDED TO READ AS  
16 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. The commission  
17 shall not issue an alcoholic beverage permit of any type to a person  
18 unless that person has on file with the commission a verified list  
19 containing the name and address of each person ~~who is; or will be;~~  
20 ~~financially or beneficially interested or entity holding at least a two~~  
21 ~~percent (2%) interest~~ in the permit and the business conducted, or to  
22 be conducted, under it. **If a publicly traded corporation has an**  
23 **interest, the list shall provide the name and address of only:**

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

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

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

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

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

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

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

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

40 **or**

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

42 (a) (b) As used in this section, "wall" means a wall of a building.



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



1 church or school to the issuance of the same permit type at the same  
2 premises location.

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

7 SECTION 40. IC 7.1-3-22-0.1 IS ADDED TO THE INDIANA  
8 CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
9 [EFFECTIVE JULY 1, 2021]: **Sec. 0.1. The amendments made to**  
10 **section 8 of this chapter by the 2021 regular session of the general**  
11 **assembly do not affect alcoholic beverage permits issued before**  
12 **July 1, 2021.**

13 SECTION 41. IC 7.1-3-22-8 IS AMENDED TO READ AS  
14 FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. **(a) Except as**  
15 **provided in subsection (b),** in making quota determinations under this  
16 article, the population of ~~a the~~ consolidated city **of Indianapolis is the**  
17 **population of its fire special service district, except to the extent that**  
18 **the case of Indiana Alcoholic Beverage Commission v. Baker (1972);**  
19 **153 Ind.App. 118; 286 N.E.2d 174; has determined otherwise.**  
20 **However, the number of liquor dealer's permits issued to proprietors of**  
21 **package liquor stores located in the fire special service district may not**  
22 **exceed the number issued as of January 1, 1977. is the population**  
23 **located:**

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

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

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

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

40 **(1)** The court having probate jurisdiction ~~shall find~~ **finds** that the  
41 surviving spouse or heir of the deceased permittee possesses the  
42 qualifications required of an applicant for that particular type of



1 permit.

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

8 SECTION 43. IC 7.1-3-27-5 IS REPEALED [EFFECTIVE JULY  
9 1, 2021]. Sec. 5: (a) Except as provided in section 7 of this chapter, an  
10 applicant for an artisan distiller's permit must meet all the following  
11 requirements to be eligible for an artisan distiller's permit:

12 (1) The permit applicant must hold one (1) of the following  
13 permits for the eighteen (18) months immediately preceding the  
14 date of the application:

15 (A) A farm winery permit under IC 7.1-3-12;

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

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

18 (2) The permit applicant may not have more than one (1) violation  
19 of this title during the eighteen (18) months immediately  
20 preceding the date of the application:

21 (3) The permit applicant may not have any violation of this title  
22 during the twelve (12) month period immediately preceding the  
23 date of the permit application:

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

30 SECTION 44. IC 7.1-3-27-7 IS REPEALED [EFFECTIVE JULY  
31 1, 2021]. Sec. 7: (a) This section applies only to a person that, on  
32 January 1, 2014:

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

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

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

39 (1) Any person (except for a person under subdivision (2)) who  
40 sells or furnishes liquor by the bottle or glass on the premises of  
41 the artisan distillery:

42 (A) must have held for at least three (3) years an employee



- 1 permit under IC 7.1-3-18-9 that authorizes the person to  
 2 perform bartending duties;
- 3 (B) must have completed any alcohol server program or  
 4 alcohol server training program refresher courses required  
 5 under IC 7.1-3-1.5; and
- 6 (C) may not have any violations under this title:
- 7 (2) The applicant for the artisan distiller's permit and any  
 8 management representative of the applicant must complete an  
 9 alcohol server program or a trainer program established or  
 10 approved under IC 7.1-3-1.5-5.5 or IC 7.1-3-1.5-6 not more than  
 11 one (1) year before the date of the application for the artisan  
 12 distiller's permit.
- 13 (c) Except as provided in subsection (f)(2), the person may not be  
 14 required to fulfill the requirements of section 5 of this chapter.
- 15 (d) If the person is issued an artisan distiller's permit under this  
 16 section, the person must meet the following requirements for the period  
 17 set forth in subsection (e):
- 18 (1) Any person selling or furnishing liquor on the premises of the  
 19 artisan distillery (except for a person under subsection (b)(2))  
 20 must meet the requirements of subsection (b)(1).
- 21 (2) The holder of the artisan distiller's permit and any  
 22 management representative of the holder of the artisan distiller's  
 23 permit must successfully complete refresher courses under  
 24 IC 7.1-3-1.5 not later than three (3) years after the date the holder  
 25 or representative completes the initial server program or trainer  
 26 program.
- 27 (e) A person who is issued an artisan distiller's permit under this  
 28 section must meet the requirements in subsection (d) until the later of:
- 29 (1) three (3) years after the date on which the initial artisan  
 30 distiller's permit is issued; or
- 31 (2) the date that the holder of the artisan distiller's permit has one  
 32 (1) twelve (12) month period without a violation of this title.
- 33 (f) Upon fulfilling the requirements of subsections (d) and (e), a  
 34 person who is issued an artisan distiller's permit under this section must  
 35 meet the following requirements for as long as the person holds the  
 36 permit:
- 37 (1) Any person who sells or furnishes liquor on the premises of  
 38 the artisan distillery (except for a person under subsection (b)(2))  
 39 must have an employee permit under IC 7.1-3-18-9 and be  
 40 otherwise authorized by the commission to perform bartending  
 41 duties. However, the person is not required to:
- 42 (A) hold an employee bartending permit for three (3) years



- 1 before selling or furnishing liquor; and  
 2 (B) not have any violations under this title.  
 3 (2) The holder of the artisan distiller's permit and any  
 4 management representative of the holder of the artisan distiller's  
 5 permit are subject to the same alcohol server training  
 6 requirements and refresher course requirements as the holder of  
 7 an artisan distiller's permit that meets the requirements of section  
 8 5 of this chapter.  
 9 SECTION 45. IC 7.1-3-27-8, AS AMENDED BY P.L.285-2019,  
 10 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2021]: Sec. 8. (a) The holder of an artisan distiller's permit  
 12 may do only the following:  
 13 (1) Manufacture liquor, including blending liquor purchased from  
 14 another manufacturer with liquor the artisan distiller  
 15 manufactures under section 11 of this chapter.  
 16 (2) Bottle liquor manufactured by the artisan distiller.  
 17 (3) Store liquor manufactured by the artisan distiller, including at  
 18 a facility **located** within ten (10) miles of the artisan distiller's  
 19 distillery.  
 20 (4) Transport, sell, and deliver liquor manufactured by the artisan  
 21 distiller to:  
 22 (A) places outside Indiana; or  
 23 (B) the holder of a liquor wholesaler's permit under IC 7.1-3-8.  
 24 (5) Sell liquor manufactured by the artisan distiller to consumers  
 25 by the drink, bottle, or case from the **licensed** premises of the  
 26 distillery where the liquor was manufactured. **Notwithstanding**  
 27 **IC 7.1-1-3-20, the licensed premises may include the distillery**  
 28 **parking lot or an area adjacent to the artisan distillery. The**  
 29 **parking lot or adjacent area may only be used for the purpose**  
 30 **of conveying alcoholic beverages and other nonalcoholic items**  
 31 **to a customer subject to section 8.1 of this chapter and may**  
 32 **not be used for point of sale purposes or any other purpose.**  
 33 (6) Serve complimentary samples of the liquor manufactured by  
 34 the artisan distiller to consumers on the premises of the distillery  
 35 where the liquor was manufactured.  
 36 (7) Sell liquor as authorized by this section for carryout on  
 37 Sunday in a quantity at any one (1) time of not more than four and  
 38 five-tenths (4.5) liters.  
 39 (8) With the approval of the commission, participate:  
 40 (A) individually; or  
 41 (B) with other permit holders under this chapter, holders of  
 42 farm winery permits, holders of brewer's permits issued under



- 1 IC 7.1-3-2-2(b), or any combination of holders described in  
 2 this clause;  
 3 in a trade show or an exposition at which products of each permit  
 4 holder participant are displayed, promoted, and sold. All of the  
 5 permit holders may occupy the same tent, structure, or building.  
 6 The commission may not grant to a holder of a permit under this  
 7 chapter approval under this subdivision to participate in a trade  
 8 show or exposition for more than forty-five (45) days in a  
 9 calendar year.
- 10 (9) Be the proprietor of a restaurant that is not subject to the  
 11 minimum gross food sales or the minimum projected food sales  
 12 set forth in 905 IAC 1-41-2 and the gross retail income  
 13 requirements to sell carryout under IC 7.1-3-20-9.5. A holder is  
 14 entitled to conduct the following activities:
- 15 (A) Hold a beer retailer's permit, a wine retailer's permit, or a  
 16 liquor retailer's permit for a restaurant.
- 17 (B) Transfer liquor directly from the artisan distillery to a  
 18 restaurant that the artisan distiller has an interest in by means  
 19 of:
- 20 (i) bottles;  
 21 (ii) bulk containers; or  
 22 (iii) a continuous flow system.
- 23 (C) Install a window between the artisan distillery and an  
 24 adjacent restaurant that allows the public and the holder of the  
 25 permit to view both premises.
- 26 (D) Install a doorway or other opening between the artisan  
 27 distillery and an adjacent restaurant that provides the public  
 28 and the holder of the permit with access to both the artisan  
 29 distillery and restaurant.
- 30 **(10) A holder that:**
- 31 **(A) does not distribute through an Indiana liquor**  
 32 **wholesaler is entitled under the artisan distiller's permit to**  
 33 **sell and deliver to a person holding a liquor retailer or**  
 34 **liquor dealer permit under this title:**
- 35 **(i) a total of not more than one hundred (100) proof**  
 36 **gallons of the artisan distillery's liquor in a calendar**  
 37 **year, if the artisan distillery has taken not more than five**  
 38 **hundred (500) proof gallons out of bond the previous**  
 39 **calendar year;**
- 40 **(ii) a total of not more than two hundred (200) proof**  
 41 **gallons of the artisan distillery's liquor in a calendar**  
 42 **year, if the artisan distillery has taken more than five**





1           **hundred (500) proof gallons out of bond and not more**  
 2           **than one thousand (1,000) proof gallons out of bond the**  
 3           **previous calendar year; or**

4           **(iii) a total of not more than three hundred (300) proof**  
 5           **gallons of the artisan distillery's liquor in a calendar**  
 6           **year, if the artisan distillery has taken more than one**  
 7           **thousand (1,000) proof gallons out of bond and not more**  
 8           **than fifteen hundred (1,500) proof gallons out of bond**  
 9           **the previous calendar year; or**

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

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

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

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

22          (c) A storage facility used by an artisan distiller under subsection  
 23          ~~(a)(3)(1)~~ **(a)(3)** must conform with federal laws, rules, and regulations.  
 24          and ~~(2)~~ must not be used for any purposes except for the storage of  
 25          liquor. **An artisan distiller may transfer liquor from a separate**  
 26          **storage facility back to the artisan distillery. An artisan distiller**  
 27          **may sell or transfer liquor directly to a liquor wholesaler from a**  
 28          **storage facility that is separate from the artisan distillery. An**  
 29          **artisan distiller may not sell or transfer liquor from a storage**  
 30          **facility to any other permittee or a consumer. The artisan distiller**  
 31          **shall maintain an adequate written record of the liquor**  
 32          **transferred:**

33           **(1) between the artisan distillery and the storage facility; and**

34           **(2) from the storage facility to the liquor wholesaler.**

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

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

41          SECTION 46. IC 7.1-3-27-8.1 IS ADDED TO THE INDIANA  
 42          CODE AS A NEW SECTION TO READ AS FOLLOWS



1 [EFFECTIVE JULY 1, 2021]: **Sec. 8.1. (a) This section applies to an**  
 2 **artisan distillery that conveys alcoholic beverages to a customer in**  
 3 **a parking lot or area adjacent to the artisan distillery as provided**  
 4 **under section 8(a)(5) of this chapter.**

5 **(b) Liquor must be:**

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

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

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

12 **(c) The employee of the permittee that conveys the alcoholic**  
 13 **beverages to the customer must require the customer to provide**  
 14 **proof of age in accordance with IC 7.1-5-10-23.**

15 **(d) The parking lot or area where the alcoholic beverages are**  
 16 **conveyed to the customer must be:**

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

18 **(2) within clear view of the main entrance to the building of**  
 19 **the artisan distillery premises.**

20 SECTION 47. IC 7.1-3-28 IS ADDED TO THE INDIANA CODE  
 21 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2021]:

23 **Chapter 28. Rye Whiskey**

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

- 26 **(1) manufactured in Indiana;**  
 27 **(2) produced with a mash bill that is at least fifty-one percent**  
 28 **(51%) rye;**  
 29 **(3) distilled to not more than one hundred sixty (160) proof or**  
 30 **eighty percent (80%) alcohol by volume;**  
 31 **(4) aged in new, charred white oak barrels;**  
 32 **(5) placed in a barrel at not more than one hundred**  
 33 **twenty-five (125) proof or sixty-two and one-half percent (62**  
 34 **1/2%) alcohol by volume;**  
 35 **(6) rested in a rack house for two (2) years in Indiana; and**  
 36 **(7) bottled at not less than eighty (80) proof or forty percent**  
 37 **(40%) alcohol by volume.**

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

- 40 **(1) Indiana rye;**  
 41 **(2) Indiana rye whiskey;**  
 42 **(3) Indiana rye whisky;**



- 1           (4) Indiana sweet mash rye whiskey;  
 2           (5) Indiana sweet mash rye whisky;  
 3           (6) Indiana sour mash rye whiskey; or  
 4           (7) Indiana sour mash rye whisky;

5 unless the liquor meets the requirements of Indiana rye whiskey as  
 6 set forth in section 1 of this chapter.

7           SECTION 48. IC 7.1-3-31 IS ADDED TO THE INDIANA CODE  
 8 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 9 JULY 1, 2021]:

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

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

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

- 17           (1) a brewer's permit that has received the commission's  
 18 approval under IC 7.1-3-2-7(5)(J);  
 19           (2) a farm winery that has received the commission's approval  
 20 under IC 7.1-3-12-5(c); or  
 21           (3) an artisan distiller's permit that has received the  
 22 commission's approval under IC 7.1-3-27-8(a)(8);

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

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

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

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

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

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

- 40           (1) requiring festival participants to use only nonbreakable  
 41 plastic bottles or plastic or paper cups for alcoholic beverages  
 42 consumed in the festival area; or



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



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

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

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

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

11           SECTION 49. IC 7.1-4-4.1-5, AS AMENDED BY P.L.214-2016,  
 12 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2021]: Sec. 5. (a) This section applies to the following  
 14 permits:

15           (1) Temporary beer permit.

16           (2) Temporary wine permit.

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

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

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

21           (c).

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

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

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

33           SECTION 50. IC 7.1-4-9-7, AS AMENDED BY P.L.224-2005,  
 34 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 35 JULY 1, 2021]: Sec. 7. **(a)** Thirty-three percent (33%) of the money in  
 36 the excise fund shall, upon warrant of the state auditor, be paid into the  
 37 general fund of the treasury of the city or town in which the retailer's  
 38 or dealer's licensed premises are located. The money shall be paid to  
 39 the treasurer of the county in which the retailer's or dealer's premises  
 40 are located if they are located outside the corporate limits of a city or  
 41 town.

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



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

4           the annexing municipality shall provide notice to the chairman of  
 5           the commission of any retailer's or dealer's premises located within  
 6           the annexed territory. The notice shall be in writing, sent by  
 7           certified mail, and must include the effective date of the annexation  
 8           and the business name and street address of the retailer's or  
 9           dealer's premises.

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

- 15           (1) shall be paid distributions that accrue after the date the  
 16           chairman receives notice; and  
 17           (2) is not entitled to retroactive payment of any distributions  
 18           accruing before the date the chairman receives notice.

19          SECTION 51. IC 7.1-5-7-11, AS AMENDED BY P.L.285-2019,  
 20          SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21          JULY 1, 2021]: Sec. 11. (a) The provisions of sections 9 and 10 of this  
 22          chapter shall not apply if the public place involved is one (1) of the  
 23          following:

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



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



1 space of a food hall vendor permittee under IC 7.1-3-20-30 that  
 2 serves alcoholic beverages intended to be consumed while sitting  
 3 or standing at the bar.

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

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

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

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

13 (3) The purpose for being on the licensed premises is the  
 14 consumption of food and not the consumption of alcoholic  
 15 beverages.

16 SECTION 52. IC 7.1-5-7-13, AS AMENDED BY P.L.270-2017,  
 17 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 18 JULY 1, 2021]: Sec. 13. (a) Section 12 of this chapter does not prohibit  
 19 the following:

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

25 (A) selling;

26 (B) furnishing, other than serving;

27 (C) consuming; or

28 (D) otherwise dealing in;

29 alcoholic beverages.

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

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

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

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

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

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





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



1 SECTION 53. IC 36-3-2-7, AS AMENDED BY P.L.113-2010,  
 2 SECTION 114, IS AMENDED TO READ AS FOLLOWS  
 3 [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) This section governs the  
 4 transfer of territory that is either:

5 (1) inside the corporate boundaries of the consolidated city and  
 6 contiguous to an excluded city; or

7 (2) inside the corporate boundaries of an excluded city and  
 8 contiguous to the consolidated city.

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

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

13 (1) a petition for annexation of that territory with the legislative  
 14 body of the contiguous municipality; and

15 (2) a petition for disannexation of that territory with the legislative  
 16 body of the municipality containing that territory.

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

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

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

26 (A) on the effective date of the approval of the latter  
 27 legislative body to act; and

28 (B) when a copy of each transfer approval has been filed under  
 29 subsection (f).

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

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

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



1 (e) The court shall try an appeal under subsection (d) as other civil  
2 actions, but without a jury. If the court determines that:

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

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

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

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

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

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

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

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

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

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

39 ~~(j)~~ **(k)** Notwithstanding subsection ~~(g)~~ **(h)** as that subsection existed  
40 on December 31, 2009, a transfer of territory that took effect January  
41 2, 2010, because of the application of subsection ~~(g)~~, **(h)**, as that  
42 subsection existed on December 31, 2009, is instead considered to take



1 effect January 1, 2010, without any additional action being required.  
2 SECTION 54. IC 36-4-3-22.1 IS ADDED TO THE INDIANA  
3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
4 [EFFECTIVE JULY 1, 2021]: **Sec. 22.1. Not later than ten (10) days**  
5 **after an annexation ordinance is filed under section 22 of this**  
6 **chapter, the annexing municipality shall provide notice to the**  
7 **chairman of the alcohol and tobacco commission in accordance**  
8 **with IC 7.1-4-9-7 of any licensed premises located within the**  
9 **annexed territory.**  
10 SECTION 55. 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.

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#### HOUSE MOTION

Mr. Speaker: I move that House Bill 1396 be amended to read as follows:

Page 7, between lines 18 and 19, begin a new paragraph and insert:  
 "SECTION 11. IC 7.1-3-1-30 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: (a) This section applies to a permittee that sells and delivers alcoholic beverages to a consumer's residence, regardless of whether the delivery is made by the permittee, permittee's employees, or (if allowed under the permittee's permit) a third party delivery service.**

**(b) A person delivering alcoholic beverages to a customer's residence must require the customer to provide proof of age in accordance with IC 7.1-5-10-23."**

Page 12, between lines 27 and 28, begin a new paragraph and insert:  
**"(c) The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer to provide proof of age in accordance with IC 7.1-5-10-23."**

Page 12, line 28, delete "(c)" and insert "(d)".

Page 15, line 27, after "time." insert **"A beer retailer that delivers beer to a customer's residence must require the customer to provide proof of age in accordance with IC 7.1-5-10-23."**

Page 16, between lines 4 and 5, begin a new paragraph and insert:  
**"(e) The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer to provide proof of age in accordance with IC 7.1-5-10-23."**

Page 16, line 5, delete "(e)" and insert "(f)".

Page 18, line 4, after "time." insert **"A liquor retailer that delivers liquor to a customer's residence must require the customer to**



**provide proof of age in accordance with IC 7.1-5-10-23."**

Page 18, between lines 23 and 24, begin a new paragraph and insert:

**"(e) The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer to provide proof of age in accordance with IC 7.1-5-10-23."**

Page 18, line 24, delete "(e)" and insert "(f)".

Page 24, between lines 25 and 26, begin a new paragraph and insert:

**"(c) The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer TO provide proof of age in accordance with IC 7.1-5-10-23."**

Page 24, line 26, delete "(c)" and insert "(d)".

Page 25, line 5, after "delivery." insert **"A wine retailer that delivers wine to a customer's residence must require the customer to provide proof of age in accordance with IC 7.1-5-10-23."**

Page 25, between lines 24 and 25, begin a new paragraph and insert:

**"(e) The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer to provide proof of age in accordance with IC 7.1-5-10-23."**

Page 25, line 25, delete "(e)" and insert "(f)".

Page 37, between lines 22 and 23, begin a new paragraph and insert:

**"(c) The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer to provide proof of age in accordance with IC 7.1-5-10-23."**

Page 37, line 23, delete "(c)" and insert "(d)".

Renumber all SECTIONS consecutively.

(Reference is to HB 1396 as printed February 11, 2021.)

AUSTIN

