



Reprinted
April 6, 2017

ENGROSSED

HOUSE BILL No. 1496

DIGEST OF HB 1496 (Updated April 5, 2017 5:57 pm - DI 106)

Citations Affected: IC 7.1-3; IC 7.1-5; IC 9-30.

Synopsis: Alcohol matters. Provides that an applicant for an artisan distiller's permit must hold a farm winery, brewer's, or distiller's permit for two years (instead of three years) before the date of the application. Allows a farm winery, brewery, and distillery to occupy the same tent or structure at a trade show or exposition. Allows a small brewer, farm winery, or artisan distiller, to employ a minor who is a family member in a capacity that does not involve the sale or serving of alcoholic beverages. Allows a minor to be on the premises of a farm winery or an artisan distillery under certain circumstances. Allows an artisan distiller to store liquor manufactured by the artisan distiller at a facility within 10 miles of the artisan distiller's distillery. Prohibits the alcohol and tobacco commission ("ATC") from issuing or transferring an alcohol permit if the applicant has unpaid taxes. Changes the definition of "banquet or gathering space" to include a contiguous area of the licensed premises. Allows a holder of a retailer's permit issued for the
(Continued next page)

Effective: Upon passage; July 1, 2017.

Smaltz, Clere, GiaQuinta, Lehman

(SENATE SPONSORS — ALTING, MESSMER, TAYLOR G, STOOPS,
RANDOLPH LONNIE M)

January 18, 2017, read first time and referred to Committee on Public Policy.
February 21, 2017, amended, reported — Do Pass.
February 23, 2017, read second time, ordered engrossed. Engrossed.
February 27, 2017, read third time, passed. Yeas 88, nays 4.

SENATE ACTION

March 1, 2017, read first time and referred to Committee on Public Policy.
March 30, 2017, amended, reported favorably — Do Pass.
April 5, 2017, read second time, amended, ordered engrossed.

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Digest Continued

premises of a hotel or restaurant that has a banquet or gathering space to temporarily amend the floor plans of the licensed premises to use the banquet or gathering space to securely store alcoholic beverages if the beverages are properly refrigerated, and requires the ATC to approve amended floor plans that are consistent with the provision. Expresses the intent of the general assembly that the ATC use the "character of business test" when considering whether to grant certain retailer permits that would allow the sale of cold beer for carryout. Prohibits a retailer from selling alcohol for carryout unless 60% of the retailer's income from the sale of alcohol comes from alcohol sold for on-premises consumption, with certain exceptions. Allows a restaurant to recork a partially full bottle of wine for carryout if a patron purchased and consumed the wine with a meal at the restaurant. Increases, from four days to seven days, the number of days in a calendar month that may be designated as guest days by the holder of a club permit for alcoholic beverages.

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April 6, 2017

First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1496

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 7.1-3-2-7, AS AMENDED BY P.L.214-2016,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 7. The holder of a brewer's permit or an
4 out-of-state brewer holding either a primary source of supply permit or
5 an out-of-state brewer's permit may do the following:
6 (1) Manufacture beer.
7 (2) Place beer in containers or bottles.
8 (3) Transport beer.
9 (4) Sell and deliver beer to a person holding a beer wholesaler's
10 permit issued under IC 7.1-3-3.
11 (5) If the brewer manufactures, at all of the brewer's breweries
12 located in Indiana, an aggregate of not more than ninety thousand
13 (90,000) barrels of beer in a calendar year for sale or distribution
14 within Indiana, the permit holder may do the following:
15 (A) Sell and deliver a total of not more than thirty thousand
16 (30,000) barrels of beer in a calendar year to a person holding
17 a retailer or a dealer permit under this title. The total number

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- 1 of barrels of beer that the permit holder may sell and deliver
 2 under this clause in a calendar year may not exceed thirty
 3 thousand (30,000) barrels of beer.
- 4 (B) Be the proprietor of a restaurant.
- 5 (C) Hold a beer retailer's permit, a wine retailer's permit, or a
 6 liquor retailer's permit for a restaurant established under clause
 7 (B).
- 8 (D) Transfer beer directly from the brewery to the restaurant
 9 by means of:
- 10 (i) bulk containers; or
 11 (ii) a continuous flow system.
- 12 (E) Install a window between the brewery and an adjacent
 13 restaurant that allows the public and the permittee to view both
 14 premises.
- 15 (F) Install a doorway or other opening between the brewery
 16 and an adjacent restaurant that provides the public and the
 17 permittee with access to both premises.
- 18 (G) Sell the brewery's beer by the glass for consumption on the
 19 premises. Brewers permitted to sell beer by the glass under
 20 this clause must make food available for consumption on the
 21 premises. A brewer may comply with the requirements of this
 22 clause by doing any of the following:
- 23 (i) Allowing a vehicle of transportation that is a food
 24 establishment (as defined in IC 16-18-2-137) to serve food
 25 near the brewer's licensed premises.
- 26 (ii) Placing menus in the brewer's premises of restaurants
 27 that will deliver food to the brewery.
- 28 (iii) Providing food prepared at the brewery.
- 29 (H) Sell and deliver beer to a consumer at the permit premises
 30 of the brewer or at the residence of the consumer. The delivery
 31 to a consumer may be made only in a quantity at any one (1)
 32 time of not more than one-half (1/2) barrel, but the beer may
 33 be contained in bottles or other permissible containers.
- 34 (I) Sell the brewery's beer as authorized by this section for
 35 carryout on Sunday in a quantity at any one (1) time of not
 36 more than five hundred seventy-six (576) ounces. A brewer's
 37 beer may be sold under this clause at any address for which the
 38 brewer holds a brewer's permit issued under this chapter if the
 39 address is located within the same city boundaries in which the
 40 beer was manufactured.
- 41 (J) With the approval of the commission, participate:
- 42 (i) individually; or



- 1 (ii) with other permit holders under this chapter, holders of
 2 artisan distiller's permits, holders of farm winery permits, or
 3 any combination of holders described in this item;
 4 in a trade show or an exposition at which products of each
 5 permit holder participant are displayed, promoted, and sold.
 6 **All of the permit holders may occupy the same tent,**
 7 **structure, or building.** The commission may not grant to a
 8 holder of a permit under this chapter approval under this
 9 clause to participate in a trade show or exposition for more
 10 than forty-five (45) days in a calendar year.
- 11 (K) Store or condition beer in a secure building that is:
 12 (i) separate from the brewery; and
 13 (ii) owned or leased by the permit holder.
- 14 A brewer may not sell or transfer beer directly to a permittee
 15 or consumer from a building described in this clause.
- 16 (6) If the brewer's brewery manufactures more than ninety
 17 thousand (90,000) barrels of beer in a calendar year for sale or
 18 distribution within Indiana, the permit holder may own a portion
 19 of the corporate stock of another brewery that:
 20 (A) is located in the same county as the brewer's brewery;
 21 (B) manufactures less than ninety thousand (90,000) barrels of
 22 beer in a calendar year; and
 23 (C) is the proprietor of a restaurant that operates under
 24 subdivision (5).
- 25 (7) Provide complimentary samples of beer that are:
 26 (A) produced by the brewer; and
 27 (B) offered to consumers for consumption on the brewer's
 28 premises.
- 29 (8) Own a portion of the corporate stock of a sports corporation
 30 that:
 31 (A) manages a minor league baseball stadium located in the
 32 same county as the brewer's brewery; and
 33 (B) holds a beer retailer's permit, a wine retailer's permit, or a
 34 liquor retailer's permit for a restaurant located in that stadium.
- 35 (9) For beer described in IC 7.1-1-2-3(a)(4):
 36 (A) may allow transportation to and consumption of the beer
 37 on the licensed premises; and
 38 (B) may not sell, offer to sell, or allow sale of the beer on the
 39 licensed premises.

40 SECTION 2. IC 7.1-3-1-1.5 IS ADDED TO THE INDIANA CODE
 41 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
 42 UPON PASSAGE]: **Sec. 1.5. (a) It is the intent of the General**

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1 Assembly, consistent with the character of the business test
2 described in section 19 of this chapter, that a grocery store,
3 convenience store, or drug store should not be given the privilege
4 of selling cold beer for carryout.

5 (b) It is the intent of the General Assembly, consistent with the
6 character of the business test described in section 19 of this
7 chapter, that a restaurant located within a grocery store,
8 convenience store, or drug store should not be given the privilege
9 of selling alcoholic beverages for carryout.

10 SECTION 3. IC 7.1-3-1-19 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. Character of
12 the Business Test. (a) Whenever the character of the business in which
13 an applicant is engaged is material to his the applicant's being issued
14 a permit under this article, or is material to his the applicant being
15 qualified to continue to hold the permit, it must be made to appear to
16 the satisfaction of the commission that a substantial portion of the
17 business carried on, or to be carried on, in the premises in respect to
18 which a permit is applied for is in the nature of the applicant's main
19 business function in the premises.

20 (b) The commission shall apply the intent of the General
21 Assembly, as described in section 1.5 of this chapter, when
22 considering the character of an applicant's business, as described
23 in subsection (a).

24 SECTION 4. IC 7.1-3-4-4 IS REPEALED [EFFECTIVE UPON
25 PASSAGE]: Sec. 4. Premises Outside Corporate Limits: Persons
26 Eligible. The commission may issue a beer retailer's permit as
27 authorized by IC 1971, 7.1-3-4-3, only to an applicant who is the
28 proprietor of a drug store, grocery store, confectionery, or of a store in
29 good repute which, in the judgment of the commission, deals in other
30 merchandise that is not incompatible with the sale of beer.

31 SECTION 5. IC 7.1-3-12-5, AS AMENDED BY THE TECHNICAL
32 CORRECTIONS BILL OF THE 2017 GENERAL ASSEMBLY, IS
33 AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
34 PASSAGE]: Sec. 5. (a) The holder of a farm winery permit:

35 (1) is entitled to manufacture wine and to bottle wine produced by
36 the permit holder's farm winery;

37 (2) is entitled to serve complimentary samples of the winery's
38 wine on the licensed premises or an outside area that is
39 contiguous to the licensed premises, as approved by the
40 commission if each employee who serves wine on the licensed
41 premises:

42 (A) holds an ~~employee~~ employee's permit under



- 1 IC 7.1-3-18-9; and
 2 (B) completes a server training program approved by the
 3 commission;
 4 (3) is entitled to sell the winery's wine on the licensed premises to
 5 consumers either by the glass, or by the bottle, or both;
 6 (4) is entitled to sell the winery's wine to consumers by the bottle
 7 at a farmers' market that is operated on a nonprofit basis;
 8 (5) is entitled to sell wine by the bottle or by the case to a person
 9 who is the holder of a permit to sell wine at wholesale;
 10 (6) is exempt from the provisions of IC 7.1-3-14;
 11 (7) is entitled to advertise the name and address of any retailer or
 12 dealer who sells wine produced by the permit holder's winery;
 13 (8) for wine described in IC 7.1-1-2-3(a)(4):
 14 (A) may allow transportation to and consumption of the wine
 15 on the licensed premises; and
 16 (B) may not sell, offer to sell, or allow the sale of the wine on
 17 the licensed premises;
 18 (9) is entitled to purchase and sell bulk wine as set forth in this
 19 chapter;
 20 (10) is entitled to sell wine as authorized by this section for
 21 carryout on Sunday; and
 22 (11) is entitled to sell and ship the farm winery's wine to a person
 23 located in another state in accordance with the laws of the other
 24 state.
 25 (b) With the approval of the commission, a holder of a permit under
 26 this chapter may conduct business at not more than three (3) additional
 27 locations that are separate from the winery. At the additional locations,
 28 the holder of a permit may conduct any business that is authorized at
 29 the first location, except for the manufacturing or bottling of wine.
 30 (c) With the approval of the commission, a holder of a permit under
 31 this chapter may:
 32 (1) individually; or
 33 (2) with other permit holders under this chapter, holders of artisan
 34 distiller's permits, holders of a brewer's permits issued under
 35 IC 7.1-3-2-2(b), or any combination of holders described in this
 36 subdivision;
 37 participate in a trade show or an exposition at which products of each
 38 permit holder participant are displayed, promoted, and sold. **All of the**
 39 **permit holders may occupy the same tent, structure, or building.**
 40 The commission may not grant approval under this subsection to a
 41 holder of a permit under this chapter for more than forty-five (45) days
 42 in a calendar year.



1 SECTION 6.IC 7.1-3-19-18 IS ADDED TO THE INDIANA CODE
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: **Sec. 18. (a) This section does not apply to an
4 employee's permit under IC 7.1-3-18-9.**

5 **(b) The commission may not issue or transfer a wholesaler,
6 retailer, dealer, or other permit of any type if the applicant:**

7 **(1) has not paid all the applicant's property taxes under
8 IC 6-1.1 and innkeeper's tax under IC 6-9 that are due;**

9 **(2) is at least thirty (30) days delinquent in remitting state
10 gross retail taxes under IC 6-2.5 or withholding taxes
11 required to be remitted under IC 6-3-4;**

12 **(3) is on the most recent tax warrant list supplied to the
13 commission by the department of revenue; or**

14 **(4) does not provide the commission with property tax
15 clearance Form 1 with an embossed seal from the county
16 treasurer.**

17 **(c) The commission shall issue or transfer a permit that the
18 commission denied under subsection (b) when one (1) of the
19 following occurs:**

20 **(1) The applicant provides to the commission a statement
21 from the commissioner of the department of state revenue
22 indicating that the applicant's tax warrant has been satisfied,
23 including any delinquency in innkeeper's tax if the state
24 collects the innkeeper's tax for the county in which the
25 applicant seeks the permit.**

26 **(2) The commission receives a notice of release from the
27 commissioner of the department of state revenue under
28 IC 6-8.1-8-2(k).**

29 **(3) The commission receives a notice from the commissioner
30 of the department of state revenue stating that the state gross
31 retail and withholding taxes described in subsection (b)(2)
32 have been remitted to the department.**

33 **(d) An applicant may not be considered delinquent in the
34 payment of listed taxes (as defined by IC 6-8.1-1-1) if the applicant
35 has filed a proper protest under IC 6-8.1-5-1 contesting the
36 remittance of those taxes. The applicant shall be considered
37 delinquent in the payment of those taxes if the applicant does not
38 remit the taxes owed to the department of state revenue after the
39 later of the following:**

40 **(1) The expiration of the period in which the applicant may
41 appeal the listed tax to the tax court, in the case of an
42 applicant who does not file a timely appeal of the listed tax.**



1 **(2) When a decision of the tax court concerning the**
 2 **applicant's appeal of the listed tax becomes final, in the case**
 3 **of an applicant who files a timely appeal of the listed tax.**

4 **(e) The commission may require that an applicant for the**
 5 **issuance, renewal, or transfer of a wholesaler's, retailer's, dealer's,**
 6 **or other permit of any type furnish proof of the payment of a listed**
 7 **tax (as defined by IC 6-8.1-1-1), tax warrant, or taxes imposed by**
 8 **IC 6-1.1 or receipt of property tax clearance Form 1 with an**
 9 **embossed seal from the county treasurer.**

10 SECTION 7. IC 7.1-3-20-8.6, AS AMENDED BY P.L.214-2016,
 11 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 UPON PASSAGE]: Sec. 8.6. The holder of a club permit may do the
 13 following:

14 (1) Designate one (1) or more days each calendar month as guest
 15 days, not to exceed a total of ~~four (4)~~ **seven (7)** guest days in any
 16 calendar month.

17 (2) Keep a record of all designated guest days.

18 (3) Invite guests who are not members of the club to attend the
 19 club on a guest day.

20 (4) Sell or give alcoholic beverages to guests for consumption on
 21 the permit premises on a guest day.

22 (5) Keep a guest book listing members and their nonmember
 23 guests, except on a designated guest day.

24 SECTION 8. IC 7.1-3-20-9.5 IS ADDED TO THE INDIANA
 25 CODE AS A NEW SECTION TO READ AS FOLLOWS
 26 [EFFECTIVE UPON PASSAGE]: **Sec. 9.5. (a) This section applies**
 27 **only to the following:**

28 **(1) The sale of carryout by a retailer permittee under a**
 29 **retailer's permit that was issued or transferred to the retailer**
 30 **permittee after May 14, 2017.**

31 **(2) The sale of carryout by a retailer permittee under a**
 32 **retailer's permit that is renewed after May 14, 2017.**

33 **(b) This section does not apply to the sale of alcoholic beverages**
 34 **for carryout under a retailer's permit issued to:**

35 **(1) A city market under IC 7.1-3-20-25.**

36 **(2) A marina under IC 7.1-3-1-25.**

37 **(3) A state park under IC 7.1-3-17.8.**

38 **(4) A golf course.**

39 **(5) A hotel or resort hotel.**

40 **(6) A social or fraternal club.**

41 **(c) A retailer permittee may not sell alcoholic beverages for**
 42 **carryout unless at least sixty percent (60%) of the retailer**



1 permittee's gross retail income from the sale of alcoholic beverages
2 is derived from the sale of alcoholic beverages for consumption on
3 the licensed premises.

4 (d) An applicant for a retailer's permit for a business:

5 (1) that has not opened; and

6 (2) that wants to sell alcoholic beverages for carryout;

7 must provide the commission with a verified certification stating
8 that the projected gross retail income from alcoholic beverage sales
9 during the business's first two (2) years of operation will meet the
10 requirements of subsection (c). Not more than one hundred eighty
11 (180) days after the date the premises opens for business, the
12 applicant shall provide a financial statement with sufficient
13 information to show that the requirements of subsection (c) were
14 met during the first one hundred twenty (120) days after the
15 business opened.

16 (e) When a retailer permittee applies for renewal of a retailer's
17 permit, the retailer permittee shall submit to the commission an
18 affidavit of compliance that is signed by the permittee, or by a
19 responsible officer or partner, under the penalties of perjury, that
20 states that the requirements of subsection (c) continue to be met. If
21 the commission has reasonable grounds to doubt the truthfulness
22 of an affidavit of compliance, the commission may require the
23 retailer permittee to provide audited financial statements.

24 (f) A retailer permittee that wants to sell alcoholic beverages for
25 carryout must provide the commission with a financial statement
26 with information that shows the dollar amounts and percentages
27 of the retail permittee's gross retail income that is derived from
28 sales of alcoholic beverages for:

29 (1) consumption on the licensed premises; and

30 (2) carryout;

31 during the one hundred eighty (180) days preceding the date of the
32 application.

33 (g) The commission may:

34 (1) require that a financial statement submitted by an
35 applicant under this chapter be audited by a certified public
36 accountant; and

37 (2) with the cooperation of the department of state revenue,
38 verify the information provided by the applicant.

39 (h) The information provided to the commission under this
40 chapter regarding annual gross retail income is confidential
41 information and may not be disclosed to the public under
42 IC 5-14-3. However, the commission may disclose the information:



1 (1) to the department of state revenue to verify the accuracy
 2 of the amount of annual gross retail income from sales of
 3 alcoholic beverages; and

4 (2) in any administrative or judicial proceeding to revoke or
 5 suspend the holder's permit as a result of a discrepancy in the
 6 amount of annual gross retail income from sales of alcoholic
 7 beverages discovered by the department of state revenue.

8 (i) Notwithstanding IC 6-8.1-7-1 or any other law, in fulfilling
 9 its obligations under this section, the department of state revenue
 10 may provide confidential information to the commission. The
 11 commission shall maintain the confidentiality of information
 12 provided by the department of state revenue under this chapter.
 13 However, the commission may disclose the information in any
 14 administrative or judicial proceeding to revoke or suspend the
 15 holder's permit as a result of any information provided by the
 16 department of state revenue.

17 (j) Notwithstanding this section, a retailer's permit that was
 18 issued before May 15, 2017, that authorizes the retailer permittee
 19 to sell alcoholic beverages for carryout may continue to sell
 20 carryout after May 14, 2017, until the remaining term of the
 21 permit expires. The permittee must comply with subsection (f)
 22 when the permittee applies for renewal of the permit, if the
 23 permittee wants to sell alcoholic beverages for carryout.

24 SECTION 9. IC 7.1-3-20-9.6 IS ADDED TO THE INDIANA
 25 CODE AS A NEW SECTION TO READ AS FOLLOWS
 26 [EFFECTIVE UPON PASSAGE]: Sec. 9.6. (a) This section applies to
 27 a restaurant that has a wine retailer permit. This section applies
 28 regardless of whether the permittee satisfies the requirements to
 29 sell alcoholic beverages for carryout under section 9.5 of this
 30 chapter.

31 (b) A restaurant that has a wine retailer permit may allow a
 32 patron to remove one (1) unsealed bottle of wine for consumption
 33 off the licensed premises if the following requirements are
 34 satisfied:

35 (1) The patron consumed a portion of the bottle of wine on the
 36 restaurant premises with a purchased meal.

37 (2) The permittee:

38 (A) recorks the partially consumed bottle of wine with the
 39 original or similar type cork that is reinserted in the bottle
 40 and can only be removed by a corkscrew or similar device;
 41 and

42 (B) places the resealed bottle of wine in a bag or other



1 **container that is secured in such a manner that it is visibly**
 2 **apparent if the bag or other container is subsequently**
 3 **opened or tampered with.**

4 **(3) The permittee provides to the patron a dated receipt for**
 5 **the resealed bottle of wine and meal.**

6 **(c) If transported in a motor vehicle, the container with the**
 7 **resealed bottle of wine must be placed in a locked trunk or the area**
 8 **behind the last upright seat of a motor vehicle that is not equipped**
 9 **with a trunk.**

10 SECTION 10. IC 7.1-3-20-17.5, AS ADDED BY P.L.214-2016,
 11 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 UPON PASSAGE]: Sec. 17.5. (a) As used in this section, "banquet or
 13 gathering space" means a room or space in which social events are
 14 hosted that is located on the licensed premises of a hotel or restaurant,
 15 **including a contiguous area of the licensed premises.**

16 (b) As used in this section, "social event" means a party, banquet,
 17 wedding or other reception, or any other social event.

18 (c) Subject to ~~subsection~~ **subsections (d) and (f)**, the holder of a
 19 retailer's permit issued for the premises of a hotel or restaurant that has
 20 a banquet or gathering space without a permanent bar over which
 21 alcoholic beverages may be sold or dispensed may temporarily amend
 22 the floor plans of the licensed premises to use the banquet or gathering
 23 space to sell, ~~or~~ dispense, **or securely store** alcoholic beverages from
 24 a temporary bar or service bar in the banquet or gathering space.

25 (d) The holder of a retailer's permit shall notify and submit the
 26 amended floor plans described in subsection (c) to the commission not
 27 later than twenty-four (24) hours before the date the holder intends to
 28 sell, ~~or~~ dispense, **or securely store** alcoholic beverages. ~~from a~~
 29 ~~temporary bar or service bar.~~

30 (e) A holder of a retailer's permit who intends to:

31 **(1) sell or dispense alcoholic beverages; ~~from a temporary bar or~~**
 32 **service bar; or**

33 **(2) securely store alcoholic beverages;**

34 as described in this section remains subject to laws and rules requiring
 35 that the area in which minors are allowed be separate from the room or
 36 area in which the bar is located.

37 **(f) If the holder of a retailer's permit stores alcoholic beverages**
 38 **in a contiguous area of the licensed premises, the alcoholic**
 39 **beverages must be properly refrigerated.**

40 **(g) The commission must approve amended floor plans that are**
 41 **consistent with the requirements of this section.**

42 SECTION 11. IC 7.1-3-21-15, AS AMENDED BY P.L.196-2015,



1 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 15. (a) This section does not apply to an
3 employee's permit under IC 7.1-3-18-9.

4 (b) The commission shall not issue, renew, or transfer a wholesaler,
5 retailer, dealer, or other permit of any type if the applicant:

6 (1) is seeking a renewal and the applicant has not paid all the
7 property taxes under IC 6-1.1 and the innkeeper's tax under IC 6-9
8 that are due currently;

9 (2) is seeking a transfer and the applicant has not paid all the
10 property taxes under IC 6-1.1 and innkeeper's tax under IC 6-9 for
11 the assessment periods during which the transferor held the
12 permit;

13 (3) is seeking a renewal or transfer and is at least thirty (30) days
14 delinquent in remitting state gross retail taxes under IC 6-2.5 or
15 withholding taxes required to be remitted under IC 6-3-4; ~~or~~

16 (4) is on the most recent tax warrant list supplied to the
17 commission by the department of state revenue; **or**

18 **(5) does not provide the commission with property tax**
19 **clearance Form 1 with an embossed seal from the county**
20 **treasurer.**

21 (c) The commission shall issue, renew, or transfer a permit that the
22 commission denied under subsection (b) when the appropriate one (1)
23 of the following occurs:

24 (1) The person, if seeking a renewal, provides to the commission
25 a statement from the county treasurer of the county in which the
26 property of the applicant was assessed indicating that all the
27 property taxes under IC 6-1.1 and, in a county where the county
28 treasurer collects the innkeeper's tax, the innkeeper's tax under
29 IC 6-9 that were delinquent have been paid.

30 (2) The person, if seeking a transfer of ownership, provides to the
31 commission a statement from the county treasurer of the county
32 in which the property of the transferor was assessed indicating
33 that all the property taxes under IC 6-1.1 and, in a county where
34 the county treasurer collects the innkeeper's tax, the innkeeper's
35 tax under IC 6-9 have been paid for the assessment periods during
36 which the transferor held the permit.

37 (3) The person provides to the commission a statement from the
38 commissioner of the department of state revenue indicating that
39 the person's tax warrant has been satisfied, including any
40 delinquency in innkeeper's tax if the state collects the innkeeper's
41 tax for the county in which the person seeks the permit.

42 (4) The commission receives a notice from the commissioner of



1 the department of state revenue under IC 6-8.1-8-2(k).

2 (5) The commission receives a notice from the commissioner of
3 the department of state revenue stating that the state gross retail
4 and withholding taxes described in subsection (b)(3) have been
5 remitted to the department.

6 (d) An applicant may not be considered delinquent in the payment
7 of listed taxes if the applicant has filed a proper protest under
8 IC 6-8.1-5-1 contesting the remittance of those taxes. The applicant
9 shall be considered delinquent in the payment of those taxes if the
10 applicant does not remit the taxes owed to the state department of
11 revenue after the later of the following:

12 (1) The expiration of the period in which the applicant may appeal
13 the listed tax to the tax court, in the case of an applicant who does
14 not file a timely appeal of the listed tax.

15 (2) When a decision of the tax court concerning the applicant's
16 appeal of the listed tax becomes final, in the case of an applicant
17 who files a timely appeal of the listed tax.

18 (e) The commission may require that an applicant for the issuance,
19 renewal, or transfer of a wholesaler's, retailer's, or dealer's, or other
20 permit of any type furnish proof of the payment of a listed tax (as
21 defined by IC 6-8.1-1-1), tax warrant, or taxes imposed by IC 6-1.1.

22 SECTION 12. IC 7.1-3-27-5, AS AMENDED BY P.L.144-2015,
23 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 UPON PASSAGE]: Sec. 5. (a) Except as provided in section 7 of this
25 chapter, an applicant for an artisan distiller's permit must meet all the
26 following requirements to be eligible for an artisan distiller's permit:

27 (1) The permit applicant must hold one (1) of the following
28 permits for the ~~three (3)~~ **two (2)** year period immediately
29 preceding the date of the application:

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

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

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

33 (2) The permit applicant may not have more than one (1) violation
34 of this title during the ~~three (3)~~ **two (2)** year period immediately
35 preceding the date of the application.

36 (3) The permit applicant may not have any violation of this title
37 during the ~~twelve (12) month~~ **one (1) year** period immediately
38 preceding the date of the permit application.

39 (b) As used in this subsection, "qualifying permit" means a farm
40 winery, brewer's, or distiller's permit under subsection (a)(1)(A),
41 (a)(1)(B), or (a)(1)(C) that is required in order to hold an artisan
42 distiller's permit. The same persons must directly or indirectly own and



1 control more than fifty percent (50%) of the entity that holds the
2 qualifying permit and the artisan distiller's permit.

3 SECTION 13. IC 7.1-3-27-8, AS AMENDED BY P.L.214-2016,
4 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 UPON PASSAGE]: Sec. 8. (a) The holder of an artisan distiller's
6 permit may do only the following:

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

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

11 (3) Store liquor manufactured by the artisan distiller, **including**
12 **at a facility within ten (10) miles of the artisan distiller's**
13 **distillery.**

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

16 (A) places outside Indiana; or

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

18 (5) Sell liquor manufactured by the artisan distiller to consumers
19 by the drink, bottle, or case from the premises of the distillery
20 where the liquor was manufactured.

21 (6) Serve complimentary samples of the liquor manufactured by
22 the artisan distiller to consumers on the premises of the distillery
23 where the liquor was manufactured.

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

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

28 (A) individually; or

29 (B) with other permit holders under this chapter, holders of
30 farm winery permits, holders of brewer's permits issued under
31 IC 7.1-3-2-2(b), or any combination of holders described in
32 this clause;

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

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



1 (c) A storage facility used by an artisan distiller under
2 subsection (a)(3):

- 3 (1) must conform with federal laws, rules, and regulations;
- 4 and
- 5 (2) must not be used for any purposes except for the storage
- 6 of liquor.

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

9 SECTION 14. IC 7.1-5-7-11, AS AMENDED BY P.L.196-2015,
10 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 UPON PASSAGE]: Sec. 11. (a) The provisions of sections 9 and 10 of
12 this chapter shall not apply if the public place involved is one (1) of the
13 following:

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



- 1 (22) An indoor theater under IC 7.1-3-20-26.
- 2 (23) A senior residence facility campus (as defined in
- 3 IC 7.1-3-1-29(c)) at which alcoholic beverages are given or
- 4 furnished as provided under IC 7.1-3-1-29.
- 5 (24) A hotel other than a part of a hotel that is a room in a
- 6 restaurant in which a bar is located over which alcoholic
- 7 beverages are sold or dispensed by the drink.
- 8 (25) The location of an allowable event to which IC 7.1-3-6.1
- 9 applies.
- 10 (26) The location of a charity auction to which IC 7.1-3-6.2
- 11 applies.
- 12 **(27) A farm winery and any additional locations of the farm**
- 13 **winery under IC 7.1-3-12, if the minor is in the company of a**
- 14 **parent, legal guardian or custodian, or family member who is**
- 15 **at least twenty-one (21) years of age.**
- 16 **(28) An artisan distillery under IC 7.1-3-27, if:**
- 17 **(A) the person who holds the artisan distiller's permit also**
- 18 **holds a farm winery permit under IC 7.1-3-12; and**
- 19 **(B) the minor is in the company of a parent, legal guardian**
- 20 **or custodian, or family member who is at least twenty-one**
- 21 **(21) years of age.**
- 22 (b) For the purpose of this subsection, "food" means meals prepared
- 23 on the licensed premises. It is lawful for a minor to be on licensed
- 24 premises in a room in which is located a bar over which alcoholic
- 25 beverages are sold or dispensed by the drink if all the following
- 26 conditions are met:
- 27 (1) The minor is eighteen (18) years of age or older.
- 28 (2) The minor is in the company of a parent, guardian, or family
- 29 member who is twenty-one (21) years of age or older.
- 30 (3) The purpose for being on the licensed premises is the
- 31 consumption of food and not the consumption of alcoholic
- 32 beverages.
- 33 SECTION 15. IC 7.1-5-7-13, AS AMENDED BY P.L.94-2008,
- 34 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 35 UPON PASSAGE]: Sec. 13. **(a)** Section 12 of this chapter does not
- 36 prohibit the following:
- 37 (1) The employment of a person at least eighteen (18) years of age
- 38 but less than twenty-one (21) years of age on or about licensed
- 39 premises where alcoholic beverages are sold, furnished, or given
- 40 away for consumption either on or off the licensed premises, for
- 41 a purpose other than:
- 42 (A) selling;



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



1 **IC 7.1-3-2-7(5), a farm winery, including any additional locations**
 2 **of the farm winery, under IC 7.1-3-12-5, or an artisan distillery**
 3 **under IC 7.1-3-27-5, if the person is:**

4 **(1) the child, stepchild, grandchild, nephew, or niece of an**
 5 **owner of the:**

6 **(A) brewery;**

7 **(B) farm winery; or**

8 **(C) artisan distiller; and**

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

10 **(A) selling;**

11 **(B) furnishing, other than serving;**

12 **(C) consuming; or**

13 **(D) otherwise dealing in;**

14 **alcoholic beverages.**

15 **A minor described in this subsection is not required to be**
 16 **accompanied by a parent, legal guardian or custodian, or family**
 17 **member while on the premises of the brewery or farm winery.**

18 SECTION 16. IC 9-30-15-3, AS AMENDED BY P.L.198-2016,
 19 SECTION 605, IS AMENDED TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) This section does not apply
 21 to the following:

22 (1) A container possessed by a person, other than the operator of
 23 the motor vehicle, who is in the:

24 (A) passenger compartment of a motor vehicle designed,
 25 maintained, or used primarily for the transportation of persons
 26 for compensation; or

27 (B) living quarters of a house coach or house trailer.

28 (2) A container located in a fixed center console or other similar
 29 fixed compartment that is locked.

30 (3) A container located:

31 (A) behind the last upright seat; or

32 (B) in an area not normally occupied by a person;
 33 in a motor vehicle that is not equipped with a trunk.

34 **(4) A bottle of wine that has been recorked and resealed as**
 35 **described in IC 7.1-3-20-9.6.**

36 (b) A person in a motor vehicle who, while the motor vehicle is in
 37 operation or while the motor vehicle is located on the right-of-way of
 38 a public highway, possesses a container:

39 (1) that has been opened;

40 (2) that has a broken seal; or

41 (3) from which some of the contents have been removed;

42 in the passenger compartment of the motor vehicle commits a Class C



1 infraction.
2 (c) A violation of this section is not considered a moving traffic
3 violation:
4 (1) for purposes of IC 9-14-12-3; and
5 (2) for which points are assessed by the bureau under the point
6 system.
7 **SECTION 17. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1496, 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 7.1-3-2-7, AS AMENDED BY P.L.214-2016, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. The holder of a brewer's permit or an out-of-state brewer holding either a primary source of supply permit or an out-of-state brewer's permit may do the following:

- (1) Manufacture beer.
- (2) Place beer in containers or bottles.
- (3) Transport beer.
- (4) Sell and deliver beer to a person holding a beer wholesaler's permit issued under IC 7.1-3-3.
- (5) If the brewer manufactures, at all of the brewer's breweries located in Indiana, an aggregate of not more than ninety thousand (90,000) barrels of beer in a calendar year for sale or distribution within Indiana, the permit holder may do the following:
 - (A) Sell and deliver a total of not more than thirty thousand (30,000) barrels of beer in a calendar year to a person holding a retailer or a dealer permit under this title. The total number of barrels of beer that the permit holder may sell and deliver under this clause in a calendar year may not exceed thirty thousand (30,000) barrels of beer.
 - (B) Be the proprietor of a restaurant.
 - (C) Hold a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant established under clause (B).
 - (D) Transfer beer **or hard cider** directly from the brewery to the restaurant by means of:
 - (i) bulk containers; or
 - (ii) a continuous flow system.
 - (E) Install a window between the brewery and an adjacent restaurant that allows the public and the permittee to view both premises.
 - (F) Install a doorway or other opening between the brewery and an adjacent restaurant that provides the public and the permittee with access to both premises.



(G) Sell the brewery's beer **and hard cider** by the glass for consumption on the premises. Brewers permitted to sell beer **and hard cider** by the glass under this clause must make food available for consumption on the premises. A brewer may comply with the requirements of this clause by doing any of the following:

- (i) Allowing a vehicle of transportation that is a food establishment (as defined in IC 16-18-2-137) to serve food near the brewer's licensed premises.
- (ii) Placing menus in the brewer's premises of restaurants that will deliver food to the brewery.
- (iii) Providing food prepared at the brewery.

(H) Sell and deliver beer **and hard cider** to a consumer at the permit premises of the brewer or at the residence of the consumer. The delivery to a consumer may be made only in a quantity at any one (1) time of not more than one-half (1/2) barrel, but the beer **or hard cider** may be contained in bottles or other permissible containers.

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

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

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

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

(K) **Package**, store, or condition beer **and hard cider** in a secure building that is:

- (i) separate from the brewery; and
- (ii) owned or leased by the permit holder.



A brewer may not sell or transfer beer **or hard cider** directly to a permittee or consumer from a building described in this clause.

(L) Transfer the beer or hard cider to a brewer that holds a permit under this subdivision. The brewer that receives the beer or hard cider may pick up and transport beer or hard cider from the transferring brewery. The beer that is transferred to a brewer does not count against that brewer's barrel limits under this subdivision until the receiving brewer sells the beer.

(M) Manufacture hard cider, place hard cider in containers or bottles, transport hard cider, and sell and deliver hard cider to a person holding a wine wholesaler's permit.

(6) If the brewer's brewery manufactures more than ninety thousand (90,000) barrels of beer in a calendar year for sale or distribution within Indiana, the permit holder may own a portion of the corporate stock of another brewery that:

- (A) is located in the same county as the brewer's brewery;
- (B) manufactures less than ninety thousand (90,000) barrels of beer in a calendar year; and
- (C) is the proprietor of a restaurant that operates under subdivision (5).

(7) Provide complimentary samples of beer that are:

- (A) produced by the brewer; and
- (B) offered to consumers for consumption on the brewer's premises.

(8) Own a portion of the corporate stock of a sports corporation that:

- (A) manages a minor league baseball stadium located in the same county as the brewer's brewery; and
- (B) holds a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant located in that stadium.

(9) For beer described in IC 7.1-1-2-3(a)(4):

- (A) may allow transportation to and consumption of the beer on the licensed premises; and
- (B) may not sell, offer to sell, or allow sale of the beer on the licensed premises.

SECTION 2. IC 7.1-3-6-3.8, AS ADDED BY P.L.214-2016, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3.8. (a) Notwithstanding any other provision in this chapter, the commission may issue a temporary beer permit if all



the following apply:

(1) The temporary beer permit is issued for a festival or event that meets all the following:

(A) The festival or event promotes, at least in part, beer **or hard cider** manufactured at a brewery described in IC 7.1-3-2-7(5).

(B) The anticipated attendance of the festival or event is at least seven thousand five hundred (7,500) people.

(C) Adequate security measures will be provided at the festival or event.

(D) Individuals less than twenty-one (21) years of age will not be allowed to attend the festival or event.

(2) The applicant for the temporary beer permit:

(A) has held a brewer's permit for a brewery described in IC 7.1-3-2-7(5) for at least three (3) years; and

(B) pays an application fee to the commission of two thousand five hundred dollars (\$2,500).

(b) The commission may issue a temporary beer permit only for an area at a festival or event that is enclosed by fencing, barricades, or structures. The area may be an outside area that is contiguous to a brewery described in IC 7.1-3-2-7(5) or restaurant or at another location that is not on or near the premises of a brewery or restaurant.

(c) The commission may issue a temporary beer permit under this section for a term, up to and including, three (3) days from its issuance.

(d) The commission may not issue a temporary beer permit under this section to any one (1) person more than two (2) times in a calendar year.

(e) Notwithstanding any other provision of this title, the holder of the temporary beer permit may allow an individual who attends the festival or event to carry beer **or hard cider**, in a quantity that does not exceed a total of two hundred eighty-eight (288) ounces, into the permitted area. Beer **or hard cider** carried in to a festival or event under this subsection may be consumed or traded only in the permitted area.

(f) An individual who attends the festival or event may carry out beer **or hard cider** in sealed, unopened containers from the temporary beer permit area.

SECTION 3. IC 7.1-3-12-5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2017 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
Sec. 5. (a) The holder of a farm winery permit:

(1) is entitled to manufacture wine and to bottle wine produced by



the permit holder's farm winery;

(2) is entitled to serve complimentary samples of the winery's wine on the licensed premises or an outside area that is contiguous to the licensed premises, as approved by the commission if each employee who serves wine on the licensed premises:

(A) holds an ~~employee~~ **employee's** permit under IC 7.1-3-18-9; and

(B) completes a server training program approved by the commission;

(3) is entitled to sell the winery's wine on the licensed premises to consumers either by the glass, or by the bottle, or both;

(4) is entitled to sell the winery's wine to consumers by the bottle at a farmers' market that is operated on a nonprofit basis;

(5) is entitled to sell wine by the bottle or by the case to a person who is the holder of a permit to sell wine at wholesale;

(6) is exempt from the provisions of IC 7.1-3-14;

(7) is entitled to advertise the name and address of any retailer or dealer who sells wine produced by the permit holder's winery;

(8) for wine described in IC 7.1-1-2-3(a)(4):

(A) may allow transportation to and consumption of the wine on the licensed premises; and

(B) may not sell, offer to sell, or allow the sale of the wine on the licensed premises;

(9) is entitled to purchase and sell bulk wine as set forth in this chapter;

(10) is entitled to sell wine as authorized by this section for carryout on Sunday; and

(11) is entitled to sell and ship the farm winery's wine to a person located in another state in accordance with the laws of the other state.

(b) With the approval of the commission, a holder of a permit under this chapter may conduct business at not more than three (3) additional locations that are separate from the winery. At the additional locations, the holder of a permit may conduct any business that is authorized at the first location, except for the manufacturing or bottling of wine.

(c) With the approval of the commission, a holder of a permit under this chapter may:

(1) individually; or

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



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

Page 2, after line 6, begin a new paragraph and insert:

"SECTION 5. IC 7.1-3-27-8, AS AMENDED BY P.L.214-2016, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 8. (a) The holder of an artisan distiller's permit may do only the following:

- (1) Manufacture liquor, including blending liquor purchased from another manufacturer with liquor the artisan distiller manufactures under section 11 of this chapter.
- (2) Bottle liquor manufactured by the artisan distiller.
- (3) Store liquor manufactured by the artisan distiller, **including at a facility within ten (10) miles of the artisan distiller's distillery.**
- (4) Transport, sell, and deliver liquor manufactured by the artisan distiller to:
 - (A) places outside Indiana; or
 - (B) the holder of a liquor wholesaler's permit under IC 7.1-3-8.
- (5) Sell liquor manufactured by the artisan distiller to consumers by the drink, bottle, or case from the premises of the distillery where the liquor was manufactured.
- (6) Serve complimentary samples of the liquor manufactured by the artisan distiller to consumers on the premises of the distillery where the liquor was manufactured.
- (7) Sell liquor as authorized by this section for carryout on Sunday in a quantity at any one (1) time of not more than four and five-tenths (4.5) liters.
- (8) With the approval of the commission, participate:
 - (A) individually; or
 - (B) with other permit holders under this chapter, holders of farm winery permits, holders of brewer's permits issued under IC 7.1-3-2-2(b), or any combination of holders described in this clause;

in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. **All of the permit holders may occupy the same tent, structure, or building.** The commission may not grant to a holder of a permit



under this chapter approval under this subdivision to participate in a trade show or exposition for more than forty-five (45) days in a calendar year.

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

(c) A storage facility used by an artisan distiller under subsection (a)(3):

(1) must conform with federal laws, rules, and regulations; and

(2) must not be used for any purposes except for the storage of liquor.

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

SECTION 6. IC 7.1-5-7-11, AS AMENDED BY P.L.196-2015, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: 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.
- (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 under IC 7.1-3-12, including a farm winery that holds a brandy distiller's permit under IC 7.1-3-7.5.

(28) An artisan distillery under IC 7.1-3-27.

(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.

SECTION 7. IC 7.1-5-7-13, AS AMENDED BY P.L.94-2008, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. **(a)** Section 12 of this chapter does not prohibit the following:

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



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

alcoholic beverages.

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

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

- (A) in the course of a person's employment as a waiter, waitress, or server; and
- (B) under the supervision of a person who:
 - (i) is at least twenty-one (21) years of age;
 - (ii) is present at the restaurant or hotel; and
 - (iii) has successfully completed an alcohol server training program certified under IC 7.1-3-1.5 by the commission.

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

(b) This chapter does not prohibit a person less than twenty-one (21) years of age from being on the premises of a brewery under IC 7.1-3-2-7(5), a farm winery under IC 7.1-3-12-5, or an artisan distillery under IC 7.1-3-27-5, if the person is:

- (1) the child, stepchild, grandchild, nephew, or niece of an owner of the:**
 - (A) brewery;**
 - (B) farm winery; or**
 - (C) artisan distiller; and**
- (2) employed on the premises for a purpose other than:**
 - (A) selling;**
 - (B) furnishing, other than serving;**
 - (C) consuming; or**



**(D) otherwise dealing in;
alcoholic beverages."**

Renumber all SECTIONS consecutively.
and when so amended that said bill do pass.
(Reference is to HB 1496 as introduced.)

SMALTZ

Committee Vote: yeas 11, nays 1.

COMMITTEE REPORT

Madam President: The Senate Committee on Public Policy, to which was referred House Bill No. 1496, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Replace the effective dates in SECTIONS 1 through 7 with "[EFFECTIVE UPON PASSAGE]".

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

"SECTION 1. IC 7.1-1-3-18.5, AS ADDED BY P.L.94-2008, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 18.5. (a) "Grocery store" means a store or part of a store that is known generally as:

(1) a supermarket, grocery store, or delicatessen and is primarily engaged in the retail sale of a general food line, which may include:

- (A) canned and frozen foods;
- (B) fresh fruits and vegetables; and
- (C) fresh and prepared meats, fish, and poultry;

(2) subject to subsection (b), a convenience store or food mart and is primarily engaged in:

- (A) the retail sale of a line of goods that may include milk, bread, soda, and snacks; or
- (B) the retail sale of automotive fuels and the retail sale of a line of goods that may include milk, bread, soda, and snacks;
- (3) a warehouse club, superstore, supercenter, or general merchandise store and is primarily engaged in the retail sale of a general line of groceries or gourmet foods in combination with general lines of new merchandise, which may include apparel, furniture, and appliances; or

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(4) a specialty or gourmet food store **primarily** engaged in the retail sale of miscellaneous specialty foods not for immediate consumption and not made on the premises, not including:

- (A) meat, fish, and seafood;
- (B) fruits and vegetables;
- (C) confections, nuts, and popcorn; and
- (D) baked goods;

only if the retail sale of miscellaneous specialty foods described in this subdivision represents a percentage of annual gross retail income (as defined in IC 6-2.5-1-5) of at least fifty-one percent (51%) of all items sold on the premises of the specialty or gourmet food store.

(b) The term includes a convenience store or food mart as described in subsection (a)(2) only if the sale of alcoholic beverages on the premises of the convenient store or food mart represents a percentage of annual gross sales of twenty-five percent (25%) or less of all items sold on the premises, excluding gasoline and automotive oil products.

(c) The term does not include an establishment known generally as a gas station that is primarily engaged in:

- (1) the retail sale of automotive fuels, which may include diesel fuel, gasohol, or gasoline; or
- (2) the retail sale of automotive fuels, which may include diesel fuel, gasohol, or gasoline and activities that may include providing repair service, selling automotive oils, replacement parts, and accessories, or providing food services.

SECTION 2. IC 7.1-1-3-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 40. ~~Restaurant:~~ **(a)** The term "restaurant" means, **with regard to** an establishment ~~which meets for which a retailer permit was issued before May 15, 2017,~~ **premises that meet** the requirements provided in ~~IC 1971, 7.1-3-20-9:~~ **IC 7.1-3-20-9.**

(b) The term "restaurant" means, with regard to an establishment for which a retailer permit is issued after May 14, 2017, an establishment that meets all of the following requirements:

- (1) The requirements provided in IC 7.1-3-20-9.**
- (2) At least ninety percent (90%) of the gross retail income (as defined in IC 6-2.5-1-5) of all items sold on the licensed premises of the establishment are from the sale of food and beverages that are subject to the state gross retail tax under IC 6-2.5.**

SECTION 3. IC 7.1-3-1-25, AS AMENDED BY P.L.119-2012,



SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 25. (a) A city or county listed in this subsection that by itself or in combination with any other municipal body acquires by ownership or by lease any stadium, exhibition hall, auditorium, theater, convention center, or civic center may permit the retail sale of alcoholic beverages upon the premises if the governing board of the facility first applies for and secures the necessary permits as required by this title. The cities and counties to which this subsection applies are as follows:

- (1) A consolidated city or its county.
- (2) A second class city.
- (3) A county having a population of more than one hundred eighty-five thousand (185,000) but less than two hundred fifty thousand (250,000).
- (4) A county having a population of more than one hundred seventy-five thousand (175,000) but less than one hundred eighty-five thousand (185,000).
- (5) A county having a population of more than one hundred twenty-five thousand (125,000) but less than one hundred thirty-five thousand (135,000).
- (6) A county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).
- (7) A city having a population of more than four thousand nine hundred fifty (4,950) but less than five thousand (5,000).
- (8) A county having a population of more than one hundred thirty-five thousand (135,000) but less than one hundred thirty-eight thousand (138,000).
- (9) A county having a population of more than two hundred seventy thousand (270,000) but less than three hundred thousand (300,000).

(b) A county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) or a township located in such a county that has established a public park with a golf course within its jurisdiction under IC 36-10-3 or IC 36-10-7 may be issued a permit for the retail sale of alcoholic beverages on the premises of any community center within the park, including a clubhouse, social center, or pavilion.

(c) A township that:

- (1) is located in a county having a population of more than one hundred five thousand (105,000) but less than one hundred ten thousand (110,000); and

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(2) acquires ownership of a golf course; may permit the retail sale of alcoholic beverages upon the premises of the golf course, if the governing board of the golf course first applies for and secures the necessary permits required by this title.

(d) A township:

- (1) having a population of more than thirty-five thousand (35,000) but less than one hundred thousand (100,000); and
- (2) located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000);

may be issued a permit for the retail sale of alcoholic beverages on the premises of any community center or social center that is located within the township and operated by the township.

(e) A city that owns a golf course may permit the retail sale of alcoholic beverages upon the premises of the golf course if the governing board of the golf course first applies for and secures the necessary permits required by this title.

(f) A city that:

- (1) has a population of more than twenty-nine thousand six hundred (29,600) but less than twenty-nine thousand nine hundred (29,900); and
- (2) owns or leases a marina;

may permit the retail sale of alcoholic beverages upon the premises of the marina if the governing board of the marina first applies for and secures the necessary permits required by this title. The permit may include the carryout sale of alcoholic beverages in accordance with ~~IC 7.1-3-4-6(e)~~, ~~IC 7.1-3-9-9(e)~~, ~~IC 7.1-3-14-4(e)~~, **IC 7.1-3-4-6(d)**, **IC 7.1-3-9-9(d)**, **IC 7.1-3-14-4(d)**, and 905 IAC 1-29 but may not include at-home delivery of alcoholic beverages.

(g) A city listed in this subsection that owns a marina may be issued a permit for the retail sale of alcoholic beverages on the premises of the marina. The permit may include the carryout sale of alcoholic beverages in accordance with ~~IC 7.1-3-4-6(e)~~, ~~IC 7.1-3-9-9(e)~~, ~~IC 7.1-3-14-4(e)~~, **IC 7.1-3-4-6(d)**, **IC 7.1-3-9-9(d)**, **IC 7.1-3-14-4(d)**, and 905 IAC 1-29 but may not include at-home delivery of alcoholic beverages. However, the city must apply for and secure the necessary permits that this title requires. This subsection applies to the following cities:

- (1) A city having a population of more than eighty thousand (80,000) but less than eighty thousand four hundred (80,400).
- (2) A city having a population of more than eighty thousand five hundred (80,500) but less than one hundred thousand (100,000).



(3) A city having a population of more than thirty-one thousand (31,000) but less than thirty-one thousand five hundred (31,500).

(4) A city having a population of more than thirty-six thousand eight hundred twenty-five (36,825) but less than forty thousand (40,000).

(5) A city having a population of more than forty-four thousand five hundred (44,500) but less than forty-five thousand (45,000).

(h) Notwithstanding subsection (a), the commission may issue a civic center permit to a person that:

(1) by the person's self or in combination with another person is the proprietor, as owner or lessee, of an entertainment complex; or

(2) has an agreement with a person described in subdivision (1) to act as a concessionaire for the entertainment complex for the full period for which the permit is to be issued.

SECTION 4. IC 7.1-3-1-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 27. (a) **This section does not apply to supplemental retailer's permits under IC 7.1-3-28.** Notwithstanding any other provision of this article, a retailer permittee who is required to comply with the gross food and beverage sales, or gross food sales, standards contained in this article as a condition of receiving, continuing to hold, or renewing, the permittee's permit, or otherwise doing business, may attest to the permittee's compliance with those standards by filing an affidavit of compliance with the commission.

(b) The affidavit of compliance authorized by subsection (a) must be in writing and signed by the permittee, or by a responsible officer or partner, under the penalties of perjury, that the representations contained in it are true.

(c) If the commission has reasonable grounds to doubt the truthfulness of an affidavit filed pursuant to subsection (a), it may require the permittee to support it by audited financial statements. If the audited financial statements do not support the affidavit and show the required compliance with the applicable standards of this article, the commission may revoke the permit."

Page 3, delete lines 21 through 27.

Page 3, line 28, delete "(M)" and insert "(L)".

Page 3, line 30, delete "to a person holding a wine wholesaler's" and insert "**in accordance with this subdivision or IC 7.1-3-6-3.8.**".

Page 3, delete line 31.

Page 4, between lines 13 and 14, begin a new paragraph and insert: "SECTION 6. IC 7.1-3-4-4 IS REPEALED [EFFECTIVE UPON



PASSAGE]: Sec. 4. Premises Outside Corporate Limits: Persons Eligible. The commission may issue a beer retailer's permit as authorized by IC 1971, 7.1-3-4-3, only to an applicant who is the proprietor of a drug store, grocery store, confectionery, or of a store in good repute which, in the judgment of the commission, deals in other merchandise that is not incompatible with the sale of beer.

SECTION 7. IC 7.1-3-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. **(a) Notwithstanding this section or any other law, a beer retailer may not sell and deliver beer for carryout unless the beer retailer has a supplemental retailer's permit under IC 7.1-3-28.**

~~(a)~~ **(b)** The holder of a beer retailer's permit shall be entitled to purchase beer for sale under ~~his~~ **the permit holder's** permit only from a permittee entitled to sell to ~~him~~ **the permit holder** under this title. A beer retailer shall be entitled to possess beer and sell it at retail to a customer for consumption on the licensed premises. A beer retailer also shall be entitled to sell beer to a customer and deliver it in permissible containers to the customer on the licensed premises, or to the customer's house.

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

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

Page 5, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 9. IC 7.1-3-9-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 9. **(a) Notwithstanding this section or any other law, a liquor retailer may not sell and deliver liquor for carryout unless the liquor retailer has a supplemental retailer's permit under IC 7.1-3-28.**

~~(a)~~ **(b)** The holder of a liquor retailer's permit shall be entitled to purchase liquor only from a permittee entitled to sell to ~~him~~ **the permit holder** under this title. A liquor retailer shall be entitled to possess liquor and sell it at retail to a customer for consumption on the licensed premises. A liquor retailer also shall be entitled to sell liquor to a customer and deliver it in permissible containers to the customer on the



licensed premises, or to the customer's house.

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

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

Page 6, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 8. IC 7.1-3-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. **(a) Notwithstanding this section or any other law, a wine retailer may not sell and deliver wine for carryout unless the wine retailer has a supplemental retailer's permit under IC 7.1-3-28.**

(a) **(b)** The holder of a wine retailer's permit is entitled to purchase wine only from a permittee entitled to sell to the wine retailer under this title. A wine retailer is entitled to possess wine and sell it at retail to a customer for consumption on the licensed premises. A wine retailer is also entitled to sell wine to a customer and deliver it in permissible containers to the customer on the licensed premises or to the customer's house.

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

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

SECTION 11. IC 7.1-3-19-18 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE UPON PASSAGE]: **Sec. 18. (a) This section does not apply to an employee's permit under IC 7.1-3-18-9.**

(b) The commission may not issue or transfer a wholesaler, retailer, dealer, or other permit of any type if the applicant:

(1) has not paid all the applicant's property taxes under IC 6-1.1 and innkeeper's tax under IC 6-9 that are due;



(2) is at least thirty (30) days delinquent in remitting state gross retail taxes under IC 6-2.5 or withholding taxes required to be remitted under IC 6-3-4;

(3) is on the most recent tax warrant list supplied to the commission by the department of revenue; or

(4) does not provide the commission with property tax clearance Form 1 with an embossed seal from the county treasurer.

(c) The commission shall issue or transfer a permit that the commission denied under subsection (b) when one (1) of the following occurs:

(1) The applicant provides to the commission a statement from the commissioner of the department of state revenue indicating that the applicant's tax warrant has been satisfied, including any delinquency in innkeeper's tax if the state collects the innkeeper's tax for the county in which the applicant seeks the permit.

(2) The commission receives a notice of release from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).

(3) The commission receives a notice from the commissioner of the department of state revenue stating that the state gross retail and withholding taxes described in subsection (b)(2) have been remitted to the department.

(d) An applicant may not be considered delinquent in the payment of listed taxes (as defined by IC 6-8.1-1-1) if the applicant has filed a proper protest under IC 6-8.1-5-1 contesting the remittance of those taxes. The applicant shall be considered delinquent in the payment of those taxes if the applicant does not remit the taxes owed to the department of state revenue after the later of the following:

(1) The expiration of the period in which the applicant may appeal the listed tax to the tax court, in the case of an applicant who does not file a timely appeal of the listed tax.

(2) When a decision of the tax court concerning the applicant's appeal of the listed tax becomes final, in the case of an applicant who files a timely appeal of the listed tax.

(e) The commission may require that an applicant for the issuance, renewal, or transfer of a wholesaler's, retailer's, dealer's, or other permit of any type furnish proof of the payment of a listed tax (as defined by IC 6-8.1-1-1), tax warrant, or taxes imposed by IC 6-1.1 or receipt of property tax clearance Form 1 with an



embossed seal from the county treasurer.

SECTION 12. IC 7.1-3-20-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: ~~Sec. 9. Restaurants: General Requirements.~~ In order to be considered a "restaurant" within the meaning of this title and, **except as provided in section 9.5 of this chapter**, to be eligible to receive an appropriate ~~restaurant retailer's~~ permit under this title, an establishment shall meet **both of** the following requirements:

- ~~(a) (1) †~~ **The establishment** shall be provided with special space and accommodations where, in consideration of payment, food, without lodging, is habitually furnished to travelers. ~~and;~~
- ~~(b) (2) †~~ **The establishment** shall have accommodations at which at least twenty-five (25) persons may be served at one (1) time.

SECTION 13. IC 7.1-3-20-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9.5. (a) This section applies after May 14, 2017.**

(b) As used in this section, "store" means a grocery store, convenience store, or drug store.

(c) Notwithstanding any other law, the commission may not issue, renew, or transfer a retailer's permit for a restaurant that is located within a store.

(d) Notwithstanding any other law, the commission may not issue, renew, or transfer a retailer's permit for a restaurant that occupies the same building as a store or is under one (1) continuous roof with a store, if the restaurant and the store lack complete physical separation. A restaurant lacks complete physical separation from a store if:

- (1) the restaurant and the store do not have separate exterior entrances; or**
- (2) there is any internal access between the restaurant and the store, including access through a service window, service counter, or partial wall.**

(e) The commission may not issue, renew, or transfer a retailer's permit under this section, regardless of whether the store has a dealer permit.

(f) A retailer permittee to which this section applies that was issued a retailer's permit before May 15, 2017, may not sell alcoholic beverages under the retailer's permit on or after May 15, 2017. However, subject to the approval of the commission, the ownership, location, or ownership and location of the retailer's permit may be transferred.



SECTION 14. IC 7.1-3-20-17.5, AS ADDED BY P.L.214-2016, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.5. (a) As used in this section, "banquet or gathering space" means a room or space in which social events are hosted that is located on the licensed premises of a hotel or restaurant, **including a contiguous area of the licensed premises.**

(b) As used in this section, "social event" means a party, banquet, wedding or other reception, or any other social event.

(c) Subject to ~~subsection~~ **subsections (d) and (f)**, the holder of a retailer's permit issued for the premises of a hotel or restaurant that has a banquet or gathering space without a permanent bar over which alcoholic beverages may be sold or dispensed may temporarily amend the floor plans of the licensed premises to use the banquet or gathering space to sell, ~~or dispense,~~ **or securely store** alcoholic beverages from a temporary bar or service bar in the banquet or gathering space.

(d) The holder of a retailer's permit shall notify and submit the amended floor plans described in subsection (c) to the commission not later than twenty-four (24) hours before the date the holder intends to sell, ~~or dispense,~~ **or securely store** alcoholic beverages. ~~from a temporary bar or service bar.~~

(e) A holder of a retailer's permit who intends to:

(1) sell or dispense alcoholic beverages; ~~from a temporary bar or service bar; or~~

(2) securely store alcoholic beverages;

as described in this section remains subject to laws and rules requiring that the area in which minors are allowed be separate from the room or area in which the bar is located.

(f) If the holder of a retailer's permit stores alcoholic beverages in a contiguous area of the licensed premises, the alcoholic beverages must be properly refrigerated.

(g) The commission must approve amended floor plans that are consistent with the requirements of this section.

SECTION 15. IC 7.1-3-21-15, AS AMENDED BY P.L.196-2015, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) This section does not apply to an employee's permit under IC 7.1-3-18-9.

(b) The commission shall not issue, renew, or transfer a wholesaler, retailer, dealer, or other permit of any type if the applicant:

(1) is seeking a renewal and the applicant has not paid all the property taxes under IC 6-1.1 and the innkeeper's tax under IC 6-9 that are due currently;

(2) is seeking a transfer and the applicant has not paid all the



property taxes under IC 6-1.1 and innkeeper's tax under IC 6-9 for the assessment periods during which the transferor held the permit;

(3) is seeking a renewal or transfer and is at least thirty (30) days delinquent in remitting state gross retail taxes under IC 6-2.5 or withholding taxes required to be remitted under IC 6-3-4; ~~or~~

(4) is on the most recent tax warrant list supplied to the commission by the department of state revenue; **or**

(5) does not provide the commission with property tax clearance Form 1 with an embossed seal from the county treasurer.

(c) The commission shall issue, renew, or transfer a permit that the commission denied under subsection (b) when the appropriate one (1) of the following occurs:

(1) The person, if seeking a renewal, provides to the commission a statement from the county treasurer of the county in which the property of the applicant was assessed indicating that all the property taxes under IC 6-1.1 and, in a county where the county treasurer collects the innkeeper's tax, the innkeeper's tax under IC 6-9 that were delinquent have been paid.

(2) The person, if seeking a transfer of ownership, provides to the commission a statement from the county treasurer of the county in which the property of the transferor was assessed indicating that all the property taxes under IC 6-1.1 and, in a county where the county treasurer collects the innkeeper's tax, the innkeeper's tax under IC 6-9 have been paid for the assessment periods during which the transferor held the permit.

(3) The person provides to the commission a statement from the commissioner of the department of state revenue indicating that the person's tax warrant has been satisfied, including any delinquency in innkeeper's tax if the state collects the innkeeper's tax for the county in which the person seeks the permit.

(4) The commission receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).

(5) The commission receives a notice from the commissioner of the department of state revenue stating that the state gross retail and withholding taxes described in subsection (b)(3) have been remitted to the department.

(d) An applicant may not be considered delinquent in the payment of listed taxes if the applicant has filed a proper protest under IC 6-8.1-5-1 contesting the remittance of those taxes. The applicant shall be considered delinquent in the payment of those taxes if the



applicant does not remit the taxes owed to the state department of revenue after the later of the following:

(1) The expiration of the period in which the applicant may appeal the listed tax to the tax court, in the case of an applicant who does not file a timely appeal of the listed tax.

(2) When a decision of the tax court concerning the applicant's appeal of the listed tax becomes final, in the case of an applicant who files a timely appeal of the listed tax.

(e) The commission may require that an applicant for the issuance, renewal, or transfer of a wholesaler's, retailer's, or dealer's, or other permit of any type furnish proof of the payment of a listed tax (as defined by IC 6-8.1-1-1), tax warrant, or taxes imposed by IC 6-1.1.".

Page 6, line 31, delete "one (1)" and insert "**two (2)**".

Page 6, reset in roman line 36.

Page 6, line 37, reset in roman "of this title during the".

Page 6, line 37, after "(3)" insert "**two (2)**".

Page 6, line 37, reset in roman "year period immediately preceding".

Page 6, reset in roman line 38.

Page 6, line 39, reset in roman "(3)".

Page 6, line 39, delete "(2)".

Page 8, between lines 11 and 12, begin a new paragraph and insert:
"SECTION 17. IC 7.1-3-28 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE JULY 1 2017]:

Chapter 28. Supplemental Retailer's Permits

Sec. 1. As used in this section, "applicant" means a person who applies to the commission under this chapter for a supplemental retailer's permit to sell alcoholic beverages for carryout.

Sec. 2. A retailer permittee may not sell alcoholic beverages for carryout unless:

(1) the permittee is a restaurant; and

(2) the commission issues a supplemental retailer's permit to the retailer permittee.

A supplemental retailer's permit expires unless the permit is renewed annually.

Sec. 3. To qualify for a supplemental retailer's permit, at least ninety percent (90%) of the gross retail income (as defined in IC 6-2.5-1-5) of all items sold on the premises of the retailer permittee must be from the sale of food and beverages that are subject to the state gross retail tax under IC 6-2.5.

Sec. 4. (a) This section applies only to a supplemental retailer's permit for a business that has not opened.



(b) If the commission approves a retailer's permit for the premises, the commission may also issue a supplemental retailer's permit for the premises, if the applicant provides the commission with a verified certification stating that the projected gross retail income from sales on the premises during the first two (2) years of operation will meet the requirements of section 3 of this chapter.

(c) Not more than one hundred eighty (180) days after the date the premises opens for business, the applicant shall provide a financial statement with sufficient information to show that the requirements of section 3 of this chapter were met during the first one hundred twenty (120) days after the business opens.

Sec. 5. (a) This section applies only to renewal of a supplemental retailer's permit.

(b) A retailer permittee shall submit to the commission an affidavit of compliance that is signed by the permittee, or by a responsible officer or partner, under the penalties of perjury, that states that the requirements of section 3 of this chapter continue to be met.

(c) If the commission has reasonable grounds to doubt the truthfulness of an affidavit of compliance, the commission may require the supplemental retailer permittee to provide audited financial statements.

Sec. 6. (a) This section applies only to licensed premises that are already operating under a retailer's permit.

(b) An applicant for a supplemental retailer's permit for the licensed premises must provide the commission with a financial statement with information that shows:

- (1) dollar amounts of gross retail income from all items sold on the premises; and
- (2) dollar amounts and percentages of sales made on the premises of food and beverages that are subject to the state gross retail tax under IC 6-2.5;

during the one hundred eighty (180) days preceding the date of the application.

Sec. 7. The commission may:

- (1) require that a financial statement submitted by an applicant under this chapter be audited by a certified public accountant; and
- (2) with the cooperation of the department of state revenue, verify the information provided by the applicant.

Sec. 8. If the commission finds that an applicant does not meet the requirements of section 3 of this chapter, the commission may:



(1) deny an application for; or
 (2) revoke;
 a supplemental retailer's permit. An applicant is not prohibited from applying to the commission at a later date to obtain a supplemental retailer's permit.

Sec. 9. A supplemental retailer's permit, for the purposes of this title, shall be considered a separate and distinct type of retailer's permit. It may not affect the rights, privileges, and restrictions applicable to any other type of retailer's permit. The rights, privileges, and restrictions provided in this title for a supplemental retailer's permit apply only to this type of permit.

Sec. 10. The information provided to the commission under this chapter regarding annual gross retail income is confidential information and may not be disclosed to the public under IC 5-14-3. However, the commission may disclose the information:

- (1) to the department of state revenue to verify the accuracy of the amount of annual gross retail income from sales of food and beverages; and
- (2) in any administrative or judicial proceeding to revoke or suspend the holder's permit as a result of a discrepancy in the amount of annual gross retail income from sales of food and beverages discovered by the department of state revenue.

Sec. 11. Notwithstanding IC 6-8.1-7-1 or any other law, in fulfilling its obligations under this section, the department of state revenue may provide to the commission confidential information. The commission shall maintain the confidentiality of information provided by the department of state revenue under this chapter. However, the commission may disclose the information in any administrative or judicial proceeding to revoke or suspend the holder's permit as a result of any information provided by the department of state revenue under section 10 of this chapter.

SECTION 18. IC 7.1-4-4.1-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 2.5.** The fee for a supplemental retailer's permit is fifty dollars (\$50) per year. The fees collected under this section shall be deposited in the enforcement and administration fund under IC 7.1-4-10.

SECTION 19. IC 7.1-4-10-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 4.** The fees collected for a supplemental retailer's permit under IC 7.1-4-4.1-2.5 shall be deposited into the enforcement and administration fund."



Page 9, line 16, delete "under IC 7.1-3-12, including a farm" and insert **"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."**

Page 9, delete lines 17 through 18.

Page 9, line 19, delete "IC 7.1-3-27." and insert **"IC 7.1-3-27, if:**

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

(2) 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."

Page 10, between lines 20 and 21, begin a new line block indented and insert:

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

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

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

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

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

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

Page 10, line 23, after "winery" insert **", including any additional locations of the farm winery,"**.

Page 10, after line 35, begin a new line blocked left and insert:

"A minor described in this subsection is not required to be accompanied by a parent, legal guardian or custodian, or family member while on the premises of the brewery or farm winery.

SECTION 21. IC 7.1-5-10-25, AS ADDED BY P.L.196-2015, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 25. If:

(1) a person has an interest in:



- (A) a dealer's permit for a drug store or grocery store; and
- (B) a retailer's permit for a restaurant; and
- (2) the licensed premises of the drug store or grocery store and the restaurant are located in the same building;

the person may not obtain a supplemental retailer's permit for the premises to sell beer, wine, and liquor may not be sold for carryout from the licensed premises of the restaurant.

SECTION 22. An emergency is declared for this act."

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1496 as printed February 21, 2017.)

ALTING, Chairperson

Committee Vote: Yeas 8, Nays 1.

SENATE MOTION

Madam President: I move that Engrossed House Bill 1496 be amended to read as follows:

Page 1, delete lines 1 through 17.

Delete pages 2 through 4.

Page 5, delete lines 1 through 42, begin a new paragraph and insert:

"SECTION 1. IC 7.1-3-2-7, AS AMENDED BY P.L.214-2016, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. The holder of a brewer's permit or an out-of-state brewer holding either a primary source of supply permit or an out-of-state brewer's permit may do the following:

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

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under this clause in a calendar year may not exceed thirty thousand (30,000) barrels of beer.

(B) Be the proprietor of a restaurant.

(C) Hold a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant established under clause (B).

(D) Transfer beer directly from the brewery to the restaurant by means of:

- (i) bulk containers; or
- (ii) a continuous flow system.

(E) Install a window between the brewery and an adjacent restaurant that allows the public and the permittee to view both premises.

(F) Install a doorway or other opening between the brewery and an adjacent restaurant that provides the public and the permittee with access to both premises.

(G) Sell the brewery's beer by the glass for consumption on the premises. Brewers permitted to sell beer by the glass under this clause must make food available for consumption on the premises. A brewer may comply with the requirements of this clause by doing any of the following:

- (i) Allowing a vehicle of transportation that is a food establishment (as defined in IC 16-18-2-137) to serve food near the brewer's licensed premises.
- (ii) Placing menus in the brewer's premises of restaurants that will deliver food to the brewery.
- (iii) Providing food prepared at the brewery.

(H) Sell and deliver beer to a consumer at the permit premises of the brewer or at the residence of the consumer. The delivery to a consumer may be made only in a quantity at any one (1) time of not more than one-half (1/2) barrel, but the beer may be contained in bottles or other permissible containers.

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

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

- (i) individually; or
- (ii) with other permit holders under this chapter, holders of



artisan distiller's permits, holders of farm winery permits, or any combination of holders described in this item; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. **All of the permit holders may occupy the same tent, structure, or building.** The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year.

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

- (i) separate from the brewery; and
- (ii) owned or leased by the permit holder.

A brewer may not sell or transfer beer directly to a permittee or consumer from a building described in this clause.

(6) If the brewer's brewery manufactures more than ninety thousand (90,000) barrels of beer in a calendar year for sale or distribution within Indiana, the permit holder may own a portion of the corporate stock of another brewery that:

- (A) is located in the same county as the brewer's brewery;
- (B) manufactures less than ninety thousand (90,000) barrels of beer in a calendar year; and
- (C) is the proprietor of a restaurant that operates under subdivision (5).

(7) Provide complimentary samples of beer that are:

- (A) produced by the brewer; and
- (B) offered to consumers for consumption on the brewer's premises.

(8) Own a portion of the corporate stock of a sports corporation that:

- (A) manages a minor league baseball stadium located in the same county as the brewer's brewery; and
- (B) holds a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant located in that stadium.

(9) For beer described in IC 7.1-1-2-3(a)(4):

- (A) may allow transportation to and consumption of the beer on the licensed premises; and
- (B) may not sell, offer to sell, or allow sale of the beer on the licensed premises."

Delete pages 6 through 7.

Page 8, delete lines 1 through 19, begin a new paragraph and insert:

"SECTION 2. IC 7.1-3-1-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE



UPON PASSAGE]: **Sec. 1.5. (a) It is the intent of the General Assembly, consistent with the character of the business test described in section 19 of this chapter, that a grocery store, convenience store, or drug store should not be given the privilege of selling cold beer for carryout.**

(b) It is the intent of the General Assembly, consistent with the character of the business test described in section 19 of this chapter, that a restaurant located within a grocery store, convenience store, or drug store should not be given the privilege of selling alcoholic beverages for carryout.

SECTION 3. IC 7.1-3-1-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. Character of the Business Test. **(a)** Whenever the character of the business in which an applicant is engaged is material to ~~his~~ **the applicant's** being issued a permit under this article, or is material to ~~his~~ **the applicant** being qualified to continue to hold the permit, it must be made to appear to the satisfaction of the commission that a substantial portion of the business carried on, or to be carried on, in the premises in respect to which a permit is applied for is in the nature of the applicant's main business function in the premises.

(b) The commission shall apply the intent of the General Assembly, as described in section 1.5 of this chapter, when considering the character of an applicant's business, as described in subsection (a)."

Page 8, delete lines 27 through 42.

Delete page 9.

Page 10, delete lines 1 through 30.

Page 12, delete lines 1 through 21.

Page 13, delete lines 31 through 42, begin a new paragraph and insert:

"SECTION 5. IC 7.1-3-20-8.6, AS AMENDED BY P.L.214-2016, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.6. The holder of a club permit may do the following:

- (1) Designate one (1) or more days each calendar month as guest days, not to exceed a total of ~~four (4)~~ **seven (7)** guest days in any calendar month.
- (2) Keep a record of all designated guest days.
- (3) Invite guests who are not members of the club to attend the club on a guest day.
- (4) Sell or give alcoholic beverages to guests for consumption on the permit premises on a guest day.



(5) Keep a guest book listing members and their nonmember guests, except on a designated guest day.

SECTION 3. IC 7.1-3-20-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9.5. (a) This section applies only to the following:**

(1) The sale of carryout by a retailer permittee under a retailer's permit that was issued or transferred to the retailer permittee after May 14, 2017.

(2) The sale of carryout by a retailer permittee under a retailer's permit that is renewed after May 14, 2017.

(b) This section does not apply to the sale of alcoholic beverages for carryout under a retailer's permit issued to:

(1) A city market under IC 7.1-3-20-25.

(2) A marina under IC 7.1-3-1-25.

(3) A state park under IC 7.1-3-17.8.

(4) A golf course.

(5) A hotel or resort hotel.

(6) A social or fraternal club.

(c) A retailer permittee may not sell alcoholic beverages for carryout unless at least sixty percent (60%) of the retailer permittee's gross retail income from the sale of alcoholic beverages is derived from the sale of alcoholic beverages for consumption on the licensed premises.

(d) An applicant for a retailer's permit for a business:

(1) that has not opened; and

(2) that wants to sell alcoholic beverages for carryout;

must provide the commission with a verified certification stating that the projected gross retail income from alcoholic beverage sales during the business's first two (2) years of operation will meet the requirements of subsection (c). Not more than one hundred eighty (180) days after the date the premises opens for business, the applicant shall provide a financial statement with sufficient information to show that the requirements of subsection (c) were met during the first one hundred twenty (120) days after the business opened.

(e) When a retailer permittee applies for renewal of a retailer's permit, the retailer permittee shall submit to the commission an affidavit of compliance that is signed by the permittee, or by a responsible officer or partner, under the penalties of perjury, that states that the requirements of subsection (c) continue to be met. If the commission has reasonable grounds to doubt the truthfulness



of an affidavit of compliance, the commission may require the retailer permittee to provide audited financial statements.

(f) A retailer permittee that wants to sell alcoholic beverages for carryout must provide the commission with a financial statement with information that shows the dollar amounts and percentages of the retail permittee's gross retail income that is derived from sales of alcoholic beverages for:

- (1) consumption on the licensed premises; and
- (2) carryout;

during the one hundred eighty (180) days preceding the date of the application.

(g) The commission may:

- (1) require that a financial statement submitted by an applicant under this chapter be audited by a certified public accountant; and
- (2) with the cooperation of the department of state revenue, verify the information provided by the applicant.

(h) The information provided to the commission under this chapter regarding annual gross retail income is confidential information and may not be disclosed to the public under IC 5-14-3. However, the commission may disclose the information:

- (1) to the department of state revenue to verify the accuracy of the amount of annual gross retail income from sales of alcoholic beverages; and
- (2) in any administrative or judicial proceeding to revoke or suspend the holder's permit as a result of a discrepancy in the amount of annual gross retail income from sales of alcoholic beverages discovered by the department of state revenue.

(i) Notwithstanding IC 6-8.1-7-1 or any other law, in fulfilling its obligations under this section, the department of state revenue may provide confidential information to the commission. The commission shall maintain the confidentiality of information provided by the department of state revenue under this chapter. However, the commission may disclose the information in any administrative or judicial proceeding to revoke or suspend the holder's permit as a result of any information provided by the department of state revenue.

(j) Notwithstanding this section, a retailer's permit that was issued before May 15, 2017, that authorizes the retailer permittee to sell alcoholic beverages for carryout may continue to sell carryout after May 14, 2017, until the remaining term of the permit expires. The permittee must comply with subsection (f)



when the permittee applies for renewal of the permit, if the permittee wants to sell alcoholic beverages for carryout.

SECTION 4. IC 7.1-3-20-9.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9.6. (a) This section applies to a restaurant that has a wine retailer permit. This section applies regardless of whether the permittee satisfies the requirements to sell alcoholic beverages for carryout under section 9.5 of this chapter.**

(b) A restaurant that has a wine retailer permit may allow a patron to remove one (1) unsealed bottle of wine for consumption off the licensed premises if the following requirements are satisfied:

(1) The patron consumed a portion of the bottle of wine on the restaurant premises with a purchased meal.

(2) The permittee:

(A) recorks the partially consumed bottle of wine with the original or similar type cork that is reinserted in the bottle and can only be removed by a corkscrew or similar device; and

(B) places the resealed bottle of wine in a bag or other container that is secured in such a manner that it is visibly apparent if the bag or other container is subsequently opened or tampered with.

(3) The permittee provides to the patron a dated receipt for the resealed bottle of wine and meal.

(c) If transported in a motor vehicle, the container with the resealed bottle of wine must be placed in a locked trunk or the area behind the last upright seat of a motor vehicle that is not equipped with a trunk."

Page 14, delete lines 1 through 29.

Page 18, delete lines 29 through 42.

Delete pages 19 through 21.

Page 22, delete lines 1 through 32, begin a new paragraph and insert:

"SECTION 11. IC 7.1-5-7-11, AS AMENDED BY P.L.196-2015, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **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.

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- (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.**



(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.**

(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."

Page 24, delete lines 18 through 28, begin a new paragraph and insert:

"SECTION 13. IC 9-30-15-3, AS AMENDED BY P.L.198-2016, SECTION 605, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) This section does not apply to the following:

- (1) A container possessed by a person, other than the operator of the motor vehicle, who is in the:
 - (A) passenger compartment of a motor vehicle designed, maintained, or used primarily for the transportation of persons for compensation; or
 - (B) living quarters of a house coach or house trailer.
- (2) A container located in a fixed center console or other similar fixed compartment that is locked.
- (3) A container located:
 - (A) behind the last upright seat; or
 - (B) in an area not normally occupied by a person; in a motor vehicle that is not equipped with a trunk.
- (4) A bottle of wine that has been recorked and resealed as described in IC 7.1-3-20-9.6.**

(b) A person in a motor vehicle who, while the motor vehicle is in operation or while the motor vehicle is located on the right-of-way of a public highway, possesses a container:

- (1) that has been opened;
- (2) that has a broken seal; or



(3) from which some of the contents have been removed;
in the passenger compartment of the motor vehicle commits a Class C
infraction.

(c) A violation of this section is not considered a moving traffic
violation:

(1) for purposes of IC 9-14-12-3; and

(2) for which points are assessed by the bureau under the point
system."

Renumber all SECTIONS consecutively.

(Reference is to EHB 1496 as printed March 31, 2017.)

ALTING

