



January 31, 2023

HOUSE BILL No. 1544

DIGEST OF HB 1544 (Updated January 31, 2023 2:11 pm - DI 107)

Citations Affected: IC 7.1-1; IC 7.1-3.

Synopsis: Mixed beverages. Adds a definition of "mixed beverage". Allows the holder of a wine wholesaler's permit to take certain actions concerning mixed beverages and flavored malt beverages. Provides that a wine wholesaler may possess, transport, sell, and deliver mixed beverages to person who holds a particular permit. Repeals a provision concerning a wine wholesaler that also holds a liquor permit.

Effective: July 1, 2023.

Jeter, Soliday, Steuerwald, Moed

January 19, 2023, read first time and referred to Committee on Public Policy.
January 31, 2023, amended, reported — Do Pass.

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January 31, 2023

First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

HOUSE BILL No. 1544

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

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

1 SECTION 1. IC 7.1-1-3-26.2 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2023]: **Sec. 26.2. "Mixed beverage" means a**
4 **prepared cordial, cocktail, or highball that is in a can or container**
5 **that holds not more than twenty-four (24) ounces of the beverage**
6 **and is a mixture of:**

7 (1) **whiskey, neutral spirits, brandy, gin, or another distilled**
8 **spirit; and**
9 (2) **carbonated or plain water, pure juice from a flower or**
10 **plant, or other flavoring materials;**
11 **that is suitable for immediate consumption and contains not less**
12 **than five-tenths percent (0.5%) of alcohol by volume and not more**
13 **than fifteen percent (15%) of alcohol by volume.**

14 SECTION 2. IC 7.1-3-13-3, AS AMENDED BY P.L.153-2015,
15 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2023]: Sec. 3. (a) The holder of a wine wholesaler's permit
17 may purchase, import, and transport wine, brandy, **mixed beverages**,

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1 or flavored malt beverage from the primary source of supply. A wine
 2 wholesaler may export and transport wine, brandy, or flavored malt
 3 beverage by the bottle, barrel, cask, or other container, to points outside
 4 Indiana. A wine wholesaler is entitled to sell, furnish, and deliver wine
 5 or flavored malt beverage from inventory that has been located on the
 6 wholesaler's premises before the time of invoicing and delivery to a
 7 wine wholesaler, a wine retailer, a supplemental caterer, a temporary
 8 wine permittee, and a wine dealer, but not at retail. A wine wholesaler
 9 may sell, furnish, and deliver brandy **or mixed beverages** from
 10 inventory that has been located on the wholesaler's premises before the
 11 time of invoicing and delivery, but not at retail, only to a person who
 12 holds a liquor retailer's permit, a supplemental caterer's permit, or a
 13 liquor dealer's permit. A holder of a wine wholesaler's permit may sell
 14 wine, **mixed beverages, or flavored malt beverages** to the wine
 15 wholesaler's bona fide regular employees. A wine wholesaler may sell,
 16 donate, and deliver wine, **mixed beverages**, or flavored malt beverage
 17 from inventory that has been located on the wholesaler's premises
 18 before the time of invoicing and delivery to a qualified organization
 19 that is conducting an allowable event to which IC 7.1-3-6.1 applies or
 20 a charity auction to which IC 7.1-3-6.2 applies.

21 (b) As used in this section, "brandy" means:

22 (1) any alcoholic distillate described in 27 CFR 5.22(d) as in
 23 effect on January 1, 1983; or

24 (2) a beverage product that:

25 (A) is prepared from a liquid described in subdivision (1);

26 (B) is classified as a cordial or liqueur as defined in 27 CFR
 27 5.22(h) as in effect on January 1, 1997; and

28 (C) meets the following requirements:

29 (i) At least sixty-six and two-thirds percent (66 2/3%) of the
 30 product's alcohol content is composed of a substance
 31 described in subdivision (1).

32 (ii) The product's label makes no reference to any distilled
 33 spirit other than brandy.

34 (iii) The product's alcohol content is not less than sixteen
 35 percent (16%) by volume or thirty-two (32) degrees proof.

36 (iv) The product contains dairy cream.

37 (v) The product's sugar, dextrose, or levulose content is at
 38 least twenty percent (20%) of the product's weight.

39 (vi) The product contains caramel coloring.

40 (c) Nothing in this section allows a wine wholesaler to sell, give,
 41 purchase, transport, or export beer (as defined in IC 7.1-1-3-6) unless
 42 the wine wholesaler also holds a beer wholesaler's permit under



- 1 IC 7.1-3-3-1.
2 (d) A wine wholesaler that also holds a liquor wholesaler's permit
3 under IC 7.1-3-8 may not:
4 (1) hold a beer wholesaler's permit under IC 7.1-3-3;
5 (2) possess, sell, or transport beer; or
6 (3) sell more than one million (1,000,000) gallons of flavored
7 malt beverage during a calendar year.
8 (d) The holder of a wine wholesaler's permit may possess,
9 transport, sell, and deliver mixed beverages only to a person who
10 holds one (1) of the following:
11 (1) A liquor retailer's permit under IC 7.1-3-9.
12 (2) A supplemental caterer's permit under IC 7.1-3-9.5.
13 (3) A liquor dealer's permit under IC 7.1-3-10.
14 (4) A liquor wholesaler's permit under IC 7.1-3-8.
15 (5) A wine wholesaler's permit issued under this chapter.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1544, 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, delete lines 1 through 7.

Page 1, line 11, after "container" insert "**that holds not more than twenty-four (24) ounces of the beverage**".

Page 2, line 2, delete "twenty-one percent (21%)" and insert "**fifteen percent (15%)**".

Page 2, delete lines 3 through 42, begin a new paragraph and insert:
 "SECTION 2. IC 7.1-3-13-3, AS AMENDED BY P.L.153-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 3. (a) The holder of a wine wholesaler's permit may purchase, import, and transport wine, brandy, **mixed beverages**, or flavored malt beverage from the primary source of supply. A wine wholesaler may export and transport wine, brandy, or flavored malt beverage by the bottle, barrel, cask, or other container, to points outside Indiana. A wine wholesaler is entitled to sell, furnish, and deliver wine or flavored malt beverage from inventory that has been located on the wholesaler's premises before the time of invoicing and delivery to a wine wholesaler, a wine retailer, a supplemental caterer, a temporary wine permittee, and a wine dealer, but not at retail. A wine wholesaler may sell, furnish, and deliver brandy **or mixed beverages** from inventory that has been located on the wholesaler's premises before the time of invoicing and delivery, but not at retail, only to a person who holds a liquor retailer's permit, a supplemental caterer's permit, or a liquor dealer's permit. A holder of a wine wholesaler's permit may sell wine, **mixed beverages, or flavored malt beverages** to the wine wholesaler's bona fide regular employees. A wine wholesaler may sell, donate, and deliver wine, **mixed beverages**, or flavored malt beverage from inventory that has been located on the wholesaler's premises before the time of invoicing and delivery to a qualified organization that is conducting an allowable event to which IC 7.1-3-6.1 applies or a charity auction to which IC 7.1-3-6.2 applies.

(b) As used in this section, "brandy" means:

- (1) any alcoholic distillate described in 27 CFR 5.22(d) as in effect on January 1, 1983; or
- (2) a beverage product that:
 - (A) is prepared from a liquid described in subdivision (1);
 - (B) is classified as a cordial or liqueur as defined in 27 CFR



5.22(h) as in effect on January 1, 1997; and

(C) meets the following requirements:

- (i) At least sixty-six and two-thirds percent (66 2/3%) of the product's alcohol content is composed of a substance described in subdivision (1).
- (ii) The product's label makes no reference to any distilled spirit other than brandy.
- (iii) The product's alcohol content is not less than sixteen percent (16%) by volume or thirty-two (32) degrees proof.
- (iv) The product contains dairy cream.
- (v) The product's sugar, dextrose, or levulose content is at least twenty percent (20%) of the product's weight.
- (vi) The product contains caramel coloring.

(c) Nothing in this section allows a wine wholesaler to sell, give, purchase, transport, or export beer (as defined in IC 7.1-1-3-6) unless the wine wholesaler also holds a beer wholesaler's permit under IC 7.1-3-3-1.

~~(d) A wine wholesaler that also holds a liquor wholesaler's permit under IC 7.1-3-8 may not:~~

- ~~(1) hold a beer wholesaler's permit under IC 7.1-3-3;~~
- ~~(2) possess, sell, or transport beer; or~~
- ~~(3) sell more than one million (1,000,000) gallons of flavored malt beverage during a calendar year.~~

(d) The holder of a wine wholesaler's permit may possess, transport, sell, and deliver mixed beverages only to a person who holds one (1) of the following:

- (1) A liquor retailer's permit under IC 7.1-3-9.**
- (2) A supplemental caterer's permit under IC 7.1-3-9.5.**
- (3) A liquor dealer's permit under IC 7.1-3-10.**
- (4) A liquor wholesaler's permit under IC 7.1-3-8.**
- (5) A wine wholesaler's permit issued under this chapter."**

Delete pages 3 through 7.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1544 as introduced.)

MANNING

Committee Vote: yeas 11, nays 2.

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