

## SENATE BILL No. 8

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 7.1-2-3-16.5; IC 7.1-3.

**Synopsis:** Alcohol permits and sales. Allows the alcohol and tobacco commission (commission) to issue a liquor dealer's permit only to a package liquor store. (Current law allows the commission to issue a liquor dealer's permit to a drug store or a package liquor store.) Provides that the holder of a liquor dealer's permit who held a liquor dealer's permit for a drugstore on June 30, 2016, may continue to hold the permit until the permit expires. Provides that the permit: (1) may not be renewed; and (2) may only be transferred to an applicant who is a proprietor of a package liquor store. Makes conforming changes to the liquor dealer's permit quota restrictions. Allows the sale of alcoholic beverages on Sunday. Repeals provisions superseded by this bill.

**Effective:** July 1, 2016.

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## Miller Pete

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January 5, 2016, read first time and referred to Committee on Public Policy.

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Second Regular Session 119th General Assembly (2016)

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 2015 Regular Session of the General Assembly.

# SENATE BILL No. 8

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 7.1-2-3-16.5, AS AMENDED BY P.L.109-2013,
- 2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2016]: Sec. 16.5. (a) As used in this section, "facility"
- 4 includes the following:
- 5 (1) A facility to which IC 7.1-3-1-25(a) applies.
- 6 (2) A tract that contains a premises that is described in
- 7 ~~IC 7.1-3-1-14(c)(2)~~; **IC 7.1-3-1-14(b)(2)**.
- 8 (3) A horse track or satellite facility to which IC 7.1-3-17.7
- 9 applies.
- 10 (4) A riverboat or racetrack to which IC 7.1-3-17.5 applies.
- 11 (5) A tract that contains an entertainment complex.
- 12 (b) As used in this section, "tract" has the meaning set forth in
- 13 IC 6-1.1-1-22.5.
- 14 (c) A facility may advertise alcoholic beverages:
- 15 (1) in the facility's interior; or
- 16 (2) on the facility's exterior.
- 17 (d) The commission may not exercise the prohibition power



1 contained in section 16(a) of this chapter on advertising by a brewer,  
2 distiller, rectifier, or vintner in or on a facility.

3 (e) Notwithstanding IC 7.1-5-5-10 and IC 7.1-5-5-11, a facility may  
4 provide advertising to a permittee that is a brewer, an artisan distiller,  
5 a distiller, a rectifier, or a vintner in exchange for compensation from  
6 that permittee.

7 SECTION 2. IC 7.1-3-1-14, AS AMENDED BY P.L.10-2010,  
8 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JULY 1, 2016]: Sec. 14. (a) It is lawful for an appropriate permittee,  
10 unless otherwise specifically provided in this title, to sell alcoholic  
11 beverages each day Monday through ~~Saturday~~ **Sunday** from 7 a.m.,  
12 prevailing local time, until 3 a.m., prevailing local time, the following  
13 day. ~~Sales shall cease wholly on Sunday at 3 a.m., prevailing local~~  
14 ~~time; and not be resumed until the following Monday at 7 a.m.,~~  
15 ~~prevailing local time.~~

16 (b) ~~It is lawful for the holder of a retailer's permit to sell the~~  
17 ~~appropriate alcoholic beverages for consumption on the licensed~~  
18 ~~premises only on Sunday from 7 a.m., prevailing local time, until 3~~  
19 ~~a.m., prevailing local time, the following day.~~

20 (e) ~~(b)~~ It is lawful for the holder of a permit under this article to sell  
21 alcoholic beverages at athletic or sports events held on Sunday upon  
22 premises that:

23 (1) are described in section 25(a) of this chapter;

24 (2) are a facility used in connection with the operation of a paved  
25 track more than two (2) miles in length that is used primarily in  
26 the sport of auto racing; or

27 (3) are being used for a professional or an amateur tournament;  
28 beginning one (1) hour before the scheduled starting time of the event  
29 or, if the scheduled starting time of the event is 1 p.m. or later,  
30 beginning at noon.

31 (d) ~~(c)~~ It is lawful for the holder of a valid beer, wine, or liquor  
32 wholesaler's permit to sell to the holder of a valid retailer's or dealer's  
33 permit at any time.

34 SECTION 3. IC 7.1-3-9-12 IS AMENDED TO READ AS  
35 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 12. (a) This section  
36 applies to:

37 (1) the holder of a three-way permit that is issued to a civic  
38 center, a sports arena, a stadium, an exhibition hall, an  
39 auditorium, a theater, a tract that contains a premises that is  
40 described in ~~IC 7.1-3-1-14(c)(2);~~ **IC 7.1-3-1-14(b)(2)**, or a  
41 convention center; or

42 (2) the holder of a catering permit while catering alcoholic



1 beverages at a civic center, a sports arena, a stadium, an  
 2 exhibition hall, an auditorium, a theater, a tract that contains a  
 3 premises that is described in ~~IC 7.1-3-1-14(c)(2)~~;  
 4 **IC 7.1-3-1-14(b)(2)**, or a convention center.

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

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

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

18 (c) A permittee may allow the self-service of individual servings of  
 19 alcoholic beverages in a suite.

20 (d) A person who:

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

23 may obtain an alcoholic beverage in a suite by self-service.

24 (e) A permittee may do any of the following:

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

33 SECTION 4. IC 7.1-3-10-2 IS REPEALED [EFFECTIVE JULY 1,  
 34 2016]. ~~Sec. 2: Drug Stores. The commission may issue a liquor dealer's~~  
 35 ~~permit to the proprietor of a drug store who holds a license issued by~~  
 36 ~~the state board of pharmacy. An applicant for a liquor dealer's permit~~  
 37 ~~for a drug store shall not be disqualified under IC 1971, 7.1-3-4-2(m).~~

38 SECTION 5. IC 7.1-3-10-3 IS REPEALED [EFFECTIVE JULY 1,  
 39 2016]. ~~Sec. 3: The commission may issue a liquor dealer's permit to a~~  
 40 ~~drugstore situated outside the corporate limits of a city or town if the~~  
 41 ~~proprietor of the drugstore holds a license issued by the state board of~~  
 42 ~~pharmacy. The permit authorized by this section shall be issued in the~~



1 same manner, and subject to the same restrictions, as that which is  
 2 provided for in the issuance of a liquor dealer's permit to a drugstore  
 3 situated inside the corporate limits of a city or town.

4 SECTION 6. IC 7.1-3-10-7 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. (a) The holder of a  
 6 liquor dealer's permit shall be entitled to purchase liquor only from a  
 7 permittee entitled to sell to a liquor dealer under this title.

8 (b) A liquor dealer shall be entitled to possess liquor and sell it at  
 9 retail in its original package to a customer only for consumption off the  
 10 licensed premises.

11 (c) A liquor dealer may deliver liquor only in permissible containers  
 12 to a customer's residence or office in a quantity that does not exceed  
 13 twelve (12) quarts at any one (1) time. However, a liquor dealer who  
 14 is licensed under IC 7.1-3-10-4 may deliver liquor in permissible  
 15 containers to a customer's residence, office, or designated location.  
 16 This delivery may only be performed by the permit holder or an  
 17 employee who holds an employee permit. The permit holder shall  
 18 maintain a written record of each delivery for at least one (1) year that  
 19 shows the customer's name, location of delivery, and quantity sold.

20 (d) **Except as provided in section 14(b) of this chapter**, a liquor  
 21 dealer may not sell or deliver alcoholic beverages or any other item  
 22 through a window in the licensed premises to a patron who is outside  
 23 the licensed premises. ~~However, a liquor dealer that is a drug store may~~  
 24 ~~sell prescription drugs and health and beauty aids through a window in~~  
 25 ~~the licensed premises to a patron who is outside the licensed premises.~~

26 SECTION 7. IC 7.1-3-10-14 IS ADDED TO THE INDIANA CODE  
 27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 28 1, 2016]: Sec. 14. (a) **Notwithstanding section 4 of this chapter, the**  
 29 **holder of a liquor dealer's permit who held a liquor dealer's permit**  
 30 **for a drugstore on June 30, 2016, may continue to hold the liquor**  
 31 **dealer's permit until the permit expires.**

32 (b) **The holder of a liquor dealer's permit described in**  
 33 **subsection (a) may sell prescription drugs and health and beauty**  
 34 **aids through a window in the licensed premises to a patron who is**  
 35 **outside the licensed premises.**

36 (c) **The commission may not renew a liquor dealer's permit for**  
 37 **the holder of a liquor dealer's permit described in subsection (a).**

38 (d) **The commission may transfer ownership of a liquor dealer's**  
 39 **permit described in subsection (a) only to an applicant who is the**  
 40 **proprietor of a package liquor store.**

41 SECTION 8. IC 7.1-3-22-4, AS AMENDED BY P.L.94-2008,  
 42 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



- 1 JULY 1, 2016]: Sec. 4. (a) The commission may grant:
- 2 (1) in an incorporated city or town that has a population of less
- 3 than fifteen thousand one (15,001):
- 4 (A) one (1) beer dealer's permit for each two thousand (2,000)
- 5 persons, or a fraction thereof; or
- 6 (B) two (2) beer dealer's permits;
- 7 whichever is greater, within the incorporated city or town;
- 8 (2) in an incorporated city or town that has a population of more
- 9 than fifteen thousand (15,000) but less than eighty thousand
- 10 (80,000):
- 11 (A) one (1) beer dealer's permit for each three thousand five
- 12 hundred (3,500) persons, or a fraction thereof; or
- 13 (B) eight (8) beer dealer's permits;
- 14 whichever is greater, within the incorporated city or town; and
- 15 (3) in an incorporated city or town that has a population of at least
- 16 eighty thousand (80,000):
- 17 (A) one (1) beer dealer's permit for each six thousand (6,000)
- 18 persons, or a fraction thereof; or
- 19 (B) twenty-three (23) beer dealer's permits;
- 20 whichever is greater, within the incorporated city or town.
- 21 ~~(b) The commission may grant:~~
- 22 ~~(1) in an incorporated city or town that has a population of less~~
- 23 ~~than fifteen thousand one (15,001):~~
- 24 ~~(A) one (1) liquor dealer's permit for each two thousand~~
- 25 ~~(2,000) persons; or a fraction thereof; or~~
- 26 ~~(B) two (2) liquor dealer's permit;~~
- 27 ~~whichever is greater, within the incorporated city or town;~~
- 28 ~~(2) in an incorporated city or town that has a population of more~~
- 29 ~~than fifteen thousand (15,000) but less than eighty thousand~~
- 30 ~~(80,000):~~
- 31 ~~(A) one (1) liquor dealer's permit for each three thousand five~~
- 32 ~~hundred (3,500) persons; or a fraction thereof; or~~
- 33 ~~(B) eight (8) liquor dealer's permits;~~
- 34 ~~whichever is greater, within the incorporated city or town; and~~
- 35 ~~(3) in an incorporated city or town that has a population of at least~~
- 36 ~~eighty thousand (80,000):~~
- 37 ~~(A) one (1) liquor dealer's permit for each six thousand (6,000)~~
- 38 ~~persons; or a fraction thereof; or~~
- 39 ~~(B) twenty-three (23) liquor dealer's permits;~~
- 40 ~~whichever is greater, within the incorporated city or town.~~
- 41 ~~(c) (b) The commission may grant in an area in the county outside~~
- 42 ~~an incorporated city or town:~~



- 1 (1) one (1) beer dealer's permit for each two thousand five  
 2 hundred (2,500) persons, or a fraction thereof, or two (2) beer  
 3 dealer's permits, whichever is greater; and  
 4 (2) one (1) liquor dealer's ~~permits~~ **permit** for each two thousand  
 5 five hundred (2,500) persons, or a fraction thereof, or two (2)  
 6 liquor dealer's permits, whichever is greater;  
 7 within the area in a county outside an incorporated city or town.  
 8 ~~(d)~~ **(c)** Notwithstanding subsections (a) **and** (b) ~~and (c); and subject~~  
 9 **to IC 7.1-3-10-14**, the commission may renew or transfer a beer  
 10 dealer's or liquor dealer's permit for a beer dealer or liquor dealer that:  
 11 (1) held a permit before July 1, 2008; and  
 12 (2) does not qualify for a permit under the quota restrictions set  
 13 forth in subsection (a) **or** (b). ~~or (c);~~  
 14 ~~(e)~~ **(d)** Notwithstanding subsection (a) or ~~(c); (b)~~, the commission  
 15 may grant not more than two (2) new beer dealer's permits or five  
 16 percent (5%) of the total beer dealer permits established under the  
 17 quota restrictions set forth in subsection (a) or ~~(c); (b)~~, whichever is  
 18 greater, for each of the following:  
 19 (1) An incorporated city or town that does not qualify for any new  
 20 beer dealer's permits under the quota restrictions set forth in  
 21 subsection (a).  
 22 (2) An area in a county outside an incorporated city or town that  
 23 does not qualify for any new beer dealer's permits under the quota  
 24 restrictions set forth in subsection ~~(c); (b)~~.  
 25 ~~(f)~~ **(e)** Notwithstanding subsection (b), ~~or (c);~~ the commission may  
 26 grant not more than two (2) new liquor dealer's permits or five percent  
 27 (5%) of the total liquor dealer permits established under the quota  
 28 restrictions set forth in subsection (b), ~~or (c);~~ whichever is greater, for  
 29 each of the following:  
 30 ~~(1) An incorporated city or town that does not qualify for any new~~  
 31 ~~liquor dealer's permits under the quota restrictions set forth in~~  
 32 ~~subsection (b);~~  
 33 ~~(2) an area in a county outside an incorporated city or town that~~  
 34 ~~does not qualify for any new liquor dealer's permits under the~~  
 35 ~~quota restrictions set forth in subsection (c); (b).~~

