

# HOUSE BILL No. 1310

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 7.1-3-2-7; IC 7.1-5-3-1.

**Synopsis:** Small breweries. Allows a small brewery to receive, bottle, and package beer from another small brewery if certain requirements are met. Makes a conforming amendment.

**Effective:** July 1, 2023.

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## Bartels

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January 11, 2023, read first time and referred to Committee on Public Policy.

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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. 1310

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.194-2021,  
2 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2023]: 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



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



- 1 (I) Sell the brewery's beer as authorized by this section for  
 2 carryout on Sunday in a quantity at any one (1) time of not  
 3 more than five hundred seventy-six (576) ounces. A brewer's  
 4 beer may be sold under this clause at any address for which the  
 5 brewer holds a brewer's permit issued under this chapter if the  
 6 address is located within the same city boundaries in which the  
 7 beer was manufactured.
- 8 (J) With the approval of the commission, participate:  
 9 (i) individually; or  
 10 (ii) with other permit holders under this chapter, holders of  
 11 artisan distiller's permits, holders of farm winery permits, or  
 12 any combination of holders described in this item;  
 13 in a trade show or an exposition at which products of each  
 14 permit holder participant are displayed, promoted, and sold.  
 15 All of the permit holders may occupy the same tent, structure,  
 16 or building. The commission may not grant to a holder of a  
 17 permit under this chapter approval under this clause to  
 18 participate in a trade show or exposition for more than  
 19 forty-five (45) days in a calendar year.
- 20 (K) Store or condition beer in a secure building that is:  
 21 (i) separate from the brewery; and  
 22 (ii) owned or leased by the permit holder.
- 23 (L) Transfer beer from a building described in clause (K) back  
 24 to the brewery.
- 25 (M) Sell or transfer beer directly to a beer wholesaler from a  
 26 building described in clause (K), but may not sell or transfer  
 27 beer from the building to any other permittee or a consumer.  
 28 The brewer shall maintain an adequate written record of the  
 29 beer transferred:  
 30 (i) between the brewery and the separate building; and  
 31 (ii) from the separate building to the wholesaler.
- 32 (N) Sell the brewery's beer to the holder of a supplemental  
 33 caterer's permit issued under IC 7.1-3-9.5 for on-premises  
 34 consumption only at an event that is held outdoors on property  
 35 that is contiguous to the brewery as approved by the  
 36 commission.
- 37 (O) Receive liquor from the holder of a distiller's permit issued  
 38 under IC 7.1-3-7 or the holder of an artisan distiller's permit  
 39 under IC 7.1-3-27 that is located in the same county as the  
 40 brewery for the purpose of carbonating and canning the liquor.  
 41 Upon the completion of canning of the liquor, the product  
 42 must be returned to the original production facility within



1 forty-eight (48) hours. The activity under this clause is not an  
2 interest under IC 7.1-5-9.

3 **(P) Receive beer from another permit holder under this**  
4 **subdivision for the purpose of bottling and packaging the**  
5 **beer. Upon completion of bottling and packaging the beer,**  
6 **the product must be returned to the original permit holder.**  
7 **The number of gallons of beer that a permit holder**  
8 **receives, bottles, and packages under this clause may not**  
9 **exceed the number of gallons of beer that the permit**  
10 **holder produced from raw materials at the licensed**  
11 **premises of the permit holder in the same calendar year.**  
12 **The activity under this clause is not an interest under**  
13 **IC 7.1-5-9.**

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

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

23 (7) Provide complimentary samples of beer that are:

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

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

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

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

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

38 SECTION 2. IC 7.1-5-3-1, AS AMENDED BY P.L.79-2015,  
39 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 JULY 1, 2023]: Sec. 1. (a) This section does not apply to the following:

- 41 (1) An establishment where alcoholic beverages are sold that is  
42 owned, in whole or part, by an entity that holds a brewer's permit



- 1 issued under IC 7.1-3-2-2(b).  
2 (2) An establishment where alcoholic beverages are sold that is  
3 owned, in whole or part, by a statewide trade organization  
4 consisting of members, each of whom holds a brewer's permit  
5 issued under IC 7.1-3-2-2(b).  
6 **(3) Beer that is bottled and packaged under IC 7.1-3-2-7(5)(P).**  
7 (b) Except as provided in section 6 of this chapter, it is unlawful to  
8 sell beer in this state at retail in a bottle, can, or other container, unless  
9 the bottle, can, or other container was packaged and sealed by the  
10 brewer at the brewer's bottling house contiguous or adjacent to the  
11 brewery in which the beer was produced.  
12 (c) A person who knowingly or intentionally violates subsection (b)  
13 commits a Class B misdemeanor.

