

HOUSE BILL No. 1322

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-3.

Synopsis: Winery and brewery sharing licensed premises. Allows a person who holds a microbrewery permit and a farm winery permit to operate the microbrewery and farm winery in all or part of the same building or part of a building. Allows the holder of a microbrewers' permit to serve complimentary samples of beer in an outside area that is contiguous to the microbrewery. Allows a microbrewery, a farm winery, or a premises that contains both, to provide an outside area contiguous to the premises, where consumers can consume beer or wine purchased by the glass on the premises. Allows a microbrewery and a farm winery that occupy all or part of the same premises to offer complimentary samples of the microbrewery's beer and the farm winery's wine in one room of the building occupied by the microbrewery and the farm winery.

Effective: July 1, 2014.

Ober

January 15, 2014, read first time and referred to Committee on Public Policy.



Second Regular Session 118th General Assembly (2014)

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 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

HOUSE BILL No. 1322

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.71-2012,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2014]: 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's brewery manufactures not more than thirty
12 thousand (30,000) barrels of beer in a calendar year for sale or
13 distribution within Indiana, the permit holder may do the
14 following:
15 (A) Sell and deliver beer to a person holding a retailer or a
16 dealer permit under this title.



- 1 (B) Be the proprietor of a restaurant.
 2 (C) Hold a beer retailer's permit, a wine retailer's permit, or a
 3 liquor retailer's permit for a restaurant established under clause
 4 (B).
 5 (D) Transfer beer directly from the brewery to the restaurant
 6 by means of:
 7 (i) bulk containers; or
 8 (ii) a continuous flow system.
 9 (E) Install a window between the brewery and an adjacent
 10 restaurant that allows the public and the permittee to view both
 11 premises.
 12 (F) Install a doorway or other opening between the brewery
 13 and an adjacent restaurant that provides the public and the
 14 permittee with access to both premises.
 15 (G) Sell the brewery's beer by the glass for consumption on the
 16 premises. Brewers permitted to sell beer by the glass under
 17 this clause must furnish the minimum food requirements
 18 prescribed by the commission.
 19 **(H) Provide an outside area as approved by the**
 20 **commission, that is contiguous to the brewery's premises.**
 21 **In the outside area:**
 22 **(i) the holder may serve complimentary samples of the**
 23 **brewery's beer to a consumer; and**
 24 **(ii) a consumer may consume the brewery's beer that the**
 25 **consumer purchases by the glass on the brewery's**
 26 **premises.**
 27 **(I) Provide an outside area as approved by the commission**
 28 **that is contiguous to the premises of the brewery and the**
 29 **farm winery under section 7.5(b) of this chapter. In the**
 30 **outside area:**
 31 **(i) the holder may serve complimentary samples of the**
 32 **brewery's beer and the farm winery's wine to a**
 33 **consumer; and**
 34 **(ii) a consumer may consume the brewery's beer and the**
 35 **farm winery's wine that the consumer purchases by the**
 36 **glass on the premises under section 7.5(b) of this chapter.**
 37 ~~(H)~~ **(J) Sell and deliver beer to a consumer at the permit**
 38 **premises of the brewer or at the residence of the consumer.**
 39 **The delivery to a consumer may be made only in a quantity at**
 40 **any 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 ~~(H)~~ **(K)** 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 (6) If the brewer's brewery manufactures more than thirty
 9 thousand (30,000) barrels of beer in a calendar year for sale or
 10 distribution within Indiana, the permit holder may own a portion
 11 of the corporate stock of another brewery that:
- 12 (A) is located in the same county as the brewer's brewery;
 13 (B) manufactures less than thirty thousand (30,000) barrels of
 14 beer in a calendar year; and
 15 (C) is the proprietor of a restaurant that operates under
 16 subdivision (5).
- 17 (7) Provide complimentary samples of beer that are:
- 18 (A) produced by the brewer; and
 19 (B) offered to consumers for consumption on the brewer's
 20 premises **or in an outside area as provided under**
 21 **subdivision (5)(H) and (5)(I).**
- 22 (8) Own a portion of the corporate stock of a sports corporation
 23 that:
- 24 (A) manages a minor league baseball stadium located in the
 25 same county as the brewer's brewery; and
 26 (B) holds a beer retailer's permit, a wine retailer's permit, or a
 27 liquor retailer's permit for a restaurant located in that stadium.
- 28 (9) For beer described in IC 7.1-1-2-3(a)(4):
- 29 (A) may allow transportation to and consumption of the beer
 30 on the licensed premises; and
 31 (B) may not sell, offer to sell, or allow sale of the beer on the
 32 licensed premises.
- 33 SECTION 2. IC 7.1-3-2-7.5 IS ADDED TO THE INDIANA CODE
 34 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 35 1, 2014]: **Sec. 7.5. (a) This section applies only to a person who**
 36 **holds:**
- 37 **(1) a farm winery permit under IC 7.1-3-12; and**
 38 **(2) a brewer's permit under section 7(5) of this chapter.**
 39 **(b) The premises of the person's:**
 40 **(1) brewery; and**
 41 **(2) farm winery;**
 42 **may occupy all or part of the same building. The person may**



1 **perform any action allowed under IC 7.1-3-12-5 and under section**
 2 **7(5) of this chapter in the building occupied by the brewery and the**
 3 **farm winery.**

4 **(c) The person may offer complimentary samples of:**

5 **(1) the brewery's beer; and**

6 **(2) the farm winery's wine;**

7 **in one (1) room of the building occupied by the brewery and the**
 8 **farm winery.**

9 SECTION 3. IC 7.1-3-12-5, AS AMENDED BY P.L.186-2011,
 10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2014]: Sec. 5. (a) The **following apply to the** holder of a farm
 12 winery permit:

13 (1) **The holder** is entitled to manufacture wine and to bottle wine
 14 produced by the permit holder's farm winery.

15 (2) **The holder** is entitled to serve complimentary samples of the
 16 winery's wine on the licensed premises or an outside area that is
 17 contiguous to the licensed premises as approved by the
 18 commission if each employee who serves wine on the licensed
 19 premises:

20 (A) holds an employee permit under IC 7.1-3-18-9; and

21 (B) completes a server training program approved by the
 22 commission.

23 (3) **The holder** is entitled to sell the winery's wine on the licensed
 24 premises to consumers either by the glass, or by the bottle, or
 25 both.

26 (4) **The holder is entitled to provide an outside area as**
 27 **approved by the commission, that is contiguous to the**
 28 **building occupied by the farm winery. In the outside area**
 29 **described in subdivision (2), the consumer may consume the**
 30 **farm winery's wine that is purchased by the glass by the**
 31 **consumer in the building occupied by the farm winery.**

32 (5) **The holder to which IC 7.1-3-2-7.5 applies is entitled to**
 33 **provide an outside area under IC 7.1-3-2-7(5)(I).**

34 ~~(4)~~ (6) **The holder** is entitled to sell the winery's wine to
 35 consumers by the bottle at a farmers' market that is operated on a
 36 nonprofit basis.

37 ~~(5)~~ (7) **The holder** is entitled to sell wine by the bottle or by the
 38 case to a person who is the holder of a permit to sell wine at
 39 wholesale.

40 ~~(6)~~ (8) **The holder** is exempt from the provisions of IC 7.1-3-14.

41 ~~(7)~~ (9) **The holder** is entitled to advertise the name and address
 42 of any retailer or dealer who sells wine produced by the permit



- 1 holder's winery.
 2 ~~(8)~~ **(10)** For wine described in IC 7.1-1-2-3(a)(4):
 3 (A) **the holder** may allow transportation to and consumption
 4 of the wine on the licensed premises; and
 5 (B) **the holder** may not sell, offer to sell, or allow the sale of
 6 the wine on the licensed premises.
 7 ~~(9)~~ **(11)** **The holder** is entitled to purchase and sell bulk wine as
 8 set forth in this chapter.
 9 ~~(10)~~ **(12)** **The holder** is entitled to sell wine as authorized by this
 10 section for carryout on Sunday. ~~and~~
 11 ~~(11)~~ **(13)** **The holder** is entitled to sell and ship the farm winery's
 12 wine to a person located in another state in accordance with the
 13 laws of the other state.
 14 (b) With the approval of the commission, a holder of a permit under
 15 this chapter may conduct business at not more than three (3) additional
 16 locations that are separate from the winery. At the additional locations,
 17 the holder of a permit may conduct any business that is authorized at
 18 the first location, except for the manufacturing or bottling of wine.
 19 (c) With the approval of the commission, a holder of a permit under
 20 this chapter may, individually or with other permit holders under this
 21 chapter, participate in a trade show or an exposition at which products
 22 of each permit holder participant are displayed, promoted, and sold.
 23 The commission may not grant approval under this subsection to a
 24 holder of a permit under this chapter for more than forty-five (45) days
 25 in a calendar year.

