

First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1396

AN ACT to amend the Indiana Code concerning alcohol.

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

SECTION 1. IC 4-36-2-9.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. "Jumbo boat" has the meaning set forth in IC 7.1-1-3-19.6.**

SECTION 2. IC 4-36-2-17, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. "Retailer" means a person that:

(1) is licensed to sell alcoholic beverages under IC 7.1-3 to customers for consumption:

(A) on the licensed premises of the person's tavern; **or**

(B) **on a jumbo boat**; and

(2) holds an endorsement to conduct type II gambling games that was issued by the commission under IC 4-36-4.

SECTION 3. IC 4-36-2-21, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. "Type II gambling operation" means the conduct of gambling games authorized under this article in a tavern **or on a jumbo boat.**

SECTION 4. IC 4-36-4-1, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Subject to section 13 of this chapter, the commission shall issue a retailer's endorsement to an applicant that satisfies the requirements of this article. A retailer's endorsement

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allows the retailer to conduct type II gaming at only the tavern **or jumbo boat** specified in the retailer's application under section 3(b)(2) of this chapter. An applicant must obtain a separate retailer's endorsement for each tavern **or jumbo boat** at which the applicant wishes to conduct type II gaming.

(b) The commission shall affix an endorsement issued under this chapter to the retailer's alcoholic beverage permit that authorizes the retailer to sell alcoholic beverages at the tavern **or jumbo boat** specified in the retailer's application under section 3(b)(2) of this chapter. An endorsement issued under this chapter is valid for one (1) year.

SECTION 5. IC 4-36-4-2, AS AMENDED BY P.L.58-2019, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) To qualify for a retailer's endorsement, a person must operate a:

- (1) tavern licensed under IC 7.1-3 to sell alcoholic beverages to customers for consumption on the premises of the tavern; **or**
- (2) **jumbo boat and hold a:**
 - (A) **boat beer permit under IC 7.1-3-6-12 through IC 7.1-3-6-14;**
 - (B) **boat liquor permit under IC 7.1-3-11-9 through IC 7.1-3-11-10; or**
 - (C) **boat wine permit under IC 7.1-3-16-3 through IC 7.1-3-16-4.**

(b) The following may not apply for a retailer's endorsement under this article:

- (1) A person holding a horse track permit under IC 7.1-3-17.7.
- (2) A licensed owner of a riverboat licensed under IC 4-33.
- (3) An operating agent who operates a riverboat in a historic hotel district under IC 4-33.
- (4) A qualified organization (as defined in IC 4-32.3-2-31).
- (5) An organization that is eligible to apply for a charity gaming license under IC 4-32.3.
- (6) A person holding a gambling game license issued under IC 4-35-5.
- (7) **Except for a person holding a boat permit that operates a jumbo boat,** a person holding a permit issued under IC 7.1-3 for a licensed premises that is not a tavern, including holders of the following:
 - (A) A boat permit.
 - (B) A hotel permit.
 - (C) A fraternal club permit.
 - (D) A resort hotel permit.
 - (E) An airport permit.



- (F) A satellite facility permit.
- (G) A microbrewery permit.
- (H) A social club permit.
- (I) A civic center permit.
- (J) A catering hall permit.
- (K) A dining car permit.
- (L) A temporary event permit.
- (M) A permit for any of the following facilities:
 - (i) A stadium.
 - (ii) An automobile race track.
 - (iii) A concert hall.

SECTION 6. IC 4-36-4-3, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) To obtain a retailer's endorsement, a person must submit an application form to the commission.

(b) An application submitted under this section must include at least the following:

- (1) The name and address of the applicant and of any person holding at least a ten percent (10%) interest in the applicant.
- (2) The name and address of the tavern **or jumbo boat** for which the applicant seeks a retailer's endorsement.
- (3) The applicant's consent to credit investigations and criminal record searches.
- (4) Waivers and releases signed by the applicant that the commission believes are necessary to ensure a full and complete review of the application.

(c) An applicant must furnish all information requested by the commission, including financial data and documents, certifications, consents, waivers, and individual histories.

(d) The commission shall review the applications for a retailer's endorsement under this chapter and shall inform each applicant of the commission's decision concerning the issuance of a retailer's endorsement.

SECTION 7. IC 4-36-4-5, AS AMENDED BY P.L.108-2009, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The commission shall charge the following fees for the issuance of a person's initial annual endorsement or license under this chapter:

- (1) Two hundred fifty dollars (\$250) for a retailer's endorsement to conduct a type II gambling operation in the retailer's tavern **or on the retailer's jumbo boat**.
- (2) One thousand dollars (\$1,000) for a distributor's license.
- (3) One thousand five hundred dollars (\$1,500) for a manufacturer's license.



(b) The commission shall charge the following fees for the renewal of a person's annual endorsement or license under this chapter:

(1) The following amounts for a retailer's endorsement:

(A) One hundred dollars (\$100) in the case of a retailer that had adjusted gross revenues of less than twenty-five thousand dollars (\$25,000) in the previous year.

(B) Two hundred fifty dollars (\$250) in the case of a retailer that had adjusted gross revenues of at least twenty-five thousand dollars (\$25,000) but less than fifty thousand dollars (\$50,000) in the previous year.

(C) Five hundred dollars (\$500) in the case of a retailer that had adjusted gross revenues of at least fifty thousand dollars (\$50,000) but less than one hundred thousand dollars (\$100,000) in the previous year.

(D) One thousand dollars (\$1,000) in the case of a retailer that had adjusted gross revenues of at least one hundred thousand dollars (\$100,000) in the previous year.

(2) One thousand dollars (\$1,000) for a distributor's license.

(3) One thousand five hundred dollars (\$1,500) for a manufacturer's license.

(c) A retailer shall report the amount of the retailer's adjusted gross receipts on the form required to renew the retailer's endorsement. The renewal fee required under subsection (b)(1) must be submitted with the renewal form.

(d) The commission shall deposit all fees collected under this chapter into the enforcement and administration fund established under IC 7.1-4-10.

SECTION 8. IC 4-36-5-1, AS AMENDED BY P.L.19-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) A retailer may offer the sale of type II gambling games in accordance with this article.

(b) A retailer's endorsement also authorizes a retailer to conduct qualified drawings:

(1) on the premises of the retailer's tavern; or

(2) on the retailer's jumbo boat.

A qualified drawing must be conducted in the manner required by this section.

(c) A qualified drawing is subject to the following rules and limitations:

(1) The purchase price for a chance to win a prize in a qualified drawing may not exceed five dollars (\$5).

(2) This subdivision does not apply to a qualified drawing conducted under subdivision (12). The total value of all prizes that may be won in a particular qualified drawing may not exceed



three hundred dollars (\$300) for any of the following:

- (A) A daily drawing.
 - (B) A weekly drawing.
 - (C) A monthly drawing.
- (3) A qualified drawing must be conducted in accordance with the following limitations:
- (A) Not more than one (1) daily drawing may be conducted each day.
 - (B) Not more than one (1) weekly drawing may be conducted each week.
 - (C) Not more than one (1) monthly drawing may be conducted each month.
 - (D) Weekly drawings must be held on regular seven (7) day intervals posted in the information required by subdivision (10).
 - (E) Monthly drawings must be held on regular monthly intervals posted in the information required by subdivision (10).

A weekly or monthly drawing may be conducted on the same day that a daily drawing is conducted.

- (4) Except as otherwise provided in this section, a patron must be present to claim a prize awarded in a qualified drawing.
- (5) A retailer may profit from conducting a qualified drawing.
- (6) A retailer may not conduct a qualified drawing or any other event in which the winner of the prize is determined, in whole or in part, by a sporting event.
- (7) If no winning ticket is drawn in a qualified drawing, a retailer may:
 - (A) carry the prize over to a later drawing in accordance with this section; or
 - (B) continue drawing tickets until a winner is drawn.
- (8) If a patron who purchased a winning ticket is not present to claim a prize at the time of the qualified drawing, a retailer shall hold the prize for the winning patron in accordance with the rules of the retailer.
- (9) In order to comply with subdivision (8), a retailer shall obtain the name, address, and telephone number of each patron who purchases a ticket for a qualified drawing.
- (10) A retailer must conspicuously display the following information concerning each qualified drawing conducted by the retailer:
 - (A) The price of a ticket.
 - (B) The time of the drawing.
 - (C) The description and value of the prizes awarded in the



drawing.

(D) The manner in which a prize may be claimed.

(E) The rules of the retailer concerning the following:

- (i) Qualified drawings in which no winning ticket is drawn.
- (ii) The period that the retailer will hold a prize for a winning patron who was not present to claim the prize at the time of the qualified drawing.

(F) Whether:

- (i) the retailer will retain the profits realized from conducting the qualified drawing; or
- (ii) the amount wagered on the qualified drawing will be returned to the retailer's patrons in the form of prizes.

(11) Notwithstanding any other provision of this chapter, a retailer must continue drawing tickets in a monthly drawing until the retailer draws a ticket purchased by a patron who is present to claim the prize.

(12) The following rules apply only to a qualified drawing from which the retailer retains the profits:

- (A) Cash may not be awarded to the winner of the qualified drawing.
- (B) All prizes must be in the form of merchandise other than alcohol or tobacco.
- (C) The maximum amount of wagers that a retailer may accept in the course of conducting the qualified drawing is five hundred dollars (\$500).

(d) When the winning patron is not present at the time of the qualified drawing to claim a prize, the retailer shall award the prize in the following manner:

- (1) The retailer shall immediately notify the winning patron by telephone that the patron's name was drawn in a qualified drawing and that the patron has the time permitted by the rules of the retailer, which must be at least seventy-two (72) hours, to claim the prize.
- (2) The winning patron must appear at the retailer's premises within the time permitted by the rules of the retailer to claim the prize in person.
- (3) The retailer shall verify the identity of the winning patron and award the prize.

(e) This subsection applies when the rules of a retailer require the retailer to carry over a prize when no winning ticket is drawn and when a winning patron fails to claim a prize in the manner required by subsection (d). The retailer shall carry the prize over to a later qualified drawing as follows:

- (1) An unclaimed prize from a daily drawing must be carried over



to the next daily drawing.

(2) Subject to the prize limits set forth in subsection (c)(2), a retailer may carry over a prize under subdivision (1) not more than fourteen (14) times. On the fourteenth calendar day to which a prize has been carried over, the retailer must continue drawing tickets until the retailer draws a ticket purchased by a patron who is present to claim the prize.

(3) An unclaimed prize from a weekly drawing must be carried over to the next weekly drawing.

(4) Subject to the prize limits set forth in subsection (c)(2), a retailer may carry over a prize under subdivision (3) not more than one (1) time. On the day that the retailer conducts a weekly drawing for the carried over prize, the retailer must continue drawing tickets until the retailer draws a ticket purchased by a patron who is present to claim the prize.

(f) The following apply to a retailer that carries over a prize under subsection (e):

(1) A retailer may conduct the daily drawing regularly scheduled for a calendar day occurring during the time that the retailer holds a prize for a winning patron who was not present at the time of a qualified drawing.

(2) If an unclaimed prize from a daily drawing is carried over to a particular date, the retailer may not conduct the regular daily drawing that would otherwise be permitted under this section on that date.

(3) If an unclaimed prize from a weekly drawing is carried over to a particular date, the retailer may not conduct the regular weekly drawing that would otherwise be permitted under this section on that date.

(4) Subject to the prize limits set forth in subsection (c)(2), a retailer may accept additional entries to a drawing for a carried over prize.

SECTION 9. IC 4-36-5-2, AS AMENDED BY P.L.19-2011, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A type II gambling game may be sold under this article only on the premises of the retailer's tavern **or jumbo boat.**

(b) Type II gambling games and qualified drawings conducted under section 1(c) of this chapter may not be offered in any part of the retailer's licensed premises in which a minor may be present under IC 7.1-5-7-11(a)(16).

SECTION 10. IC 4-36-5-4, AS AMENDED BY P.L.19-2011, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A retailer shall maintain accurate



records of all financial aspects of the retailer's type II gambling operation. A retailer shall make accurate reports of all financial aspects of the type II gambling operation to the commission within the time established by the commission. The commission shall prescribe forms for this purpose. The forms prescribed under this subsection must enable a retailer to report the amount of qualified drawing profits retained by the retailer during the reporting period.

(b) As long as a retailer's receipts from the retailer's type II gambling operation remain on the premises of the retailer's tavern **or jumbo boat**, the receipts may not be commingled with the receipts of the retailer's alcoholic beverage sales, food sales, and other related nongambling activities.

SECTION 11. IC 4-36-7-2, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The commission may do any of the following:

- (1) Investigate an alleged violation of this article.
- (2) Enter the following premises for the performance of the commission's lawful duties:
 - (A) A retailer's tavern.
 - (B) A jumbo boat.**
 - ~~(B)~~ **(C)** A place in which type II gambling games are being purchased, sold, manufactured, printed, or stored.
- (3) Take necessary equipment from the premises referred to in subdivision (2) for further investigation.
- (4) Obtain full access to all financial records of the alleged violator on request.
- (5) If there is a reason to believe that a violation has occurred, search and inspect the premises where the violation is alleged to have occurred or is occurring. A search under this subdivision may not be conducted unless a warrant has first been obtained by the commission. A contract entered into by the commission may not include a provision allowing for warrantless searches. A warrant may be obtained in the county in which the search will be conducted or in Marion County.
- (6) Seize or take possession of:
 - (A) papers;
 - (B) records;
 - (C) tickets;
 - (D) currency; or
 - (E) other items;
 related to an alleged violation.

SECTION 12. IC 7.1-1-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. ~~Beer~~. The term



"beer" means an alcoholic beverage obtained by the fermentation of:

- (1) an infusion or decoction of:
 - (A) barley malt or other cereal; and
 - (B) hops;
 in water; **or**
 - (2) **cereal byproducts.**

SECTION 13. IC 7.1-1-3-16.5, AS AMENDED BY P.L.285-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 16.5. The term "entertainment complex" means a premises that complies with one (1) or more of the following requirements:

- (1) The premises:
 - (A) is a site for the performance of musical, theatrical, or other entertainment; and
 - (B) includes an area where at least ~~eight hundred (800)~~ **six hundred (600)** individuals may be seated at one (1) time in permanent seating.
- (2) The premises:
 - (A) is located entirely within a ~~one (1)~~ **four (4)** mile radius of the center of a consolidated city;
 - (B) is used by a nonprofit organization primarily **as a fine arts theater or** for the professional performance of musical or theatrical entertainment; and
 - (C) has audience seating in one (1) or more performance spaces for at least two hundred (200) individuals.

SECTION 14. IC 7.1-1-3-16.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 16.7. The term "flavored malt beverage" means an alcoholic beverage that has all of the following attributes:

- (1) The alcoholic beverage is made from a malt beverage base that is flavored with aromatic essences or other flavorings in quantities and proportions that result in a product that possesses a character and flavor distinctive from the malt beverage base and is distinguishable from other malt beverages.
- (2) The label, packaging, container, and any advertising or depiction of the alcoholic beverage disseminated, broadcast, or available in Indiana do not contain any of the following words, or a derivative, version, or non-English translation of the following words:
 - (A) Beer.
 - (B) Lager.
 - (C) Pilsner.
 - (D) Stout.
 - (E) Porter.



- (F) Ale.
- (G) Cider.
- (H) Framboise.
- (I) Lambic.
- (J) Draft.
- (K) Liquor.
- (L) Bitter.
- (M) Brew.

However, the label and packaging may contain in only one (1) location the words "flavored beer" placed adjacent to each other in type not to exceed two (2) millimeters in height.

~~(3) The alcoholic beverage is not distributed in aluminum or other metal containers.~~

~~(4)~~ **(3)** The alcoholic beverage creates no foam that gives the appearance of beer when the alcoholic beverage is poured from its container.

SECTION 15. IC 7.1-1-3-19.6, AS ADDED BY P.L.285-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19.6. The term "jumbo boat" means a ~~United States Coast Guard approved~~ vessel having a length of at least one hundred thirty-five (135) feet and a width of at least thirty-five (35) feet. The term does not include a riverboat (as defined in IC 4-33-2-17).

SECTION 16. IC 7.1-2-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. ~~Forms:~~ The commission, in accordance with IC 5-15-5.1, shall have the power to prescribe the forms for all applications, permits, licenses, **certificates**, and other documents and records used in the administration of this title.

SECTION 17. IC 7.1-2-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. ~~Rules and Regulations:~~ The commission shall have the power to promulgate rules and regulations governing **the following:**

- ~~(a)~~ **(1)** The conduct of the meetings and business of the commission.
- ~~(b)~~ **(2)** The conduct of hearings before any of the commission's representatives.
- ~~(c)~~ **(3)** The conduct of the business of a permittee **or certificate holder** authorized or governed by the provisions of this title.
- ~~(d)~~ **(4)** The enforcement of the provisions of this title and of the rules and regulations of the commission.
- ~~(e)~~ **(5)** The standards of purity and methods of manufacturing used in the production of alcohol and alcoholic beverages.
- ~~(f)~~ **(6)** The prevention of misbranding or adulteration of alcohol or alcoholic beverages. ~~and~~



~~(g)~~ (7) The prevention of fraud, evasion, trickery, or deceit in the manufacture, labeling, importation, advertisement, transportation, or sale of alcohol or alcoholic beverages, or the evasion of other laws of Indiana relating to alcohol or alcoholic beverages.

SECTION 18. IC 7.1-2-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. ~~Permits~~. The commission shall have the discretionary authority to issue, deny, suspend, revoke, or not renew all permits **and certificates** authorized by this title, unless the exercise of discretion or authority is limited by applicable provisions of this title.

SECTION 19. IC 7.1-2-3-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 22. ~~Regulation of Business Relationships~~. The commission shall have the power to ascertain the business relationships, including ~~non-alcoholic~~ **nonalcoholic** beverage business relationships, between permittees **or certificate holders** under this title. The commission shall have the power to regulate or prohibit a practice, relationship, or dealing by or between permittees **or certificate holders**, which in the judgment of the commission is inimical to or a violation of a provision of this title or of a rule or regulation of the commission. The commission may take action in these matters by rule or regulation or by individual order upon hearing after five (5) days notice to the effected permittee **or certificate holder**.

SECTION 20. IC 7.1-2-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. ~~Evidence of Misbranding~~. An unbroken bottle **or container** which contains, or has contained, liquor or wine and which bears a brand, label, trade-mark, name or other device, marking, inscription, or a reference to quality, nature, character, origin, or manufacturer of the alcoholic beverage contents of that bottle **or container**, that has been altered, defaced, restored, or upon which the tax stamp of the federal government has been forged, counterfeited, restored, or reused, or which brand, label, trade-mark, name or other device, marking or inscription does not truly describe the contents or former contents shall be received in evidence in a court as prima facie proof that the person chargeable with the possession of it either is, or was, or both, maintaining a public nuisance and either is, or was, or both, keeping and possessing misbranded or adulterated alcoholic beverages.

SECTION 21. IC 7.1-2-5-12, AS AMENDED BY P.L.1-2009, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 12. The court shall receive oral testimony also upon a matter referred to in section 11 of this chapter for the purpose of showing a violation of this title whether the bottle **or container** is offered in evidence or not.



SECTION 22. IC 7.1-2-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 13. ~~Destroyed Evidence.~~ If a fluid is poured out or otherwise destroyed or carried away by the tenant or other person when a premises is being searched, the fluid shall be held to be, prima facie, an alcoholic beverage held or possessed contrary to this title and intended for unlawful possession and sale. Proof of the possession of an empty bottle **or container**, keg, case and vessel that has contained a destroyed alcoholic beverage shall be admitted as evidence of the illegal possession of that alcoholic beverage.

SECTION 23. IC 7.1-3-1-3.5, AS AMENDED BY P.L.285-2019, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) This section only applies to a retailer or dealer permit that is deposited with the commission before July 1, 2019.

(b) A permittee to whom a retailer or dealer permit has been issued under this title may deposit that permit with the commission for a period of one (1) year if the permittee is unable to immediately operate the business to which the permit applies. Subject to subsections (d) through ~~(e)~~; **(f)**, the commission may extend the term of the deposit under IC 7.1-3-1.1.

(c) This subsection applies to a permit that is deposited with the commission before July 1, 2016. The permit reverts to the commission if the permit is not active before July 1, 2020.

(d) This subsection applies to a permit that is deposited with the commission after June 30, 2016, and before July 1, ~~2018~~; **2017**. The permit reverts to the commission if the permit is not active before July 1, 2021.

(e) This subsection applies to a permit that is deposited with the commission after June 30, 2017, and before July 1, 2018. The permit reverts to the commission if the permit is not active before July 1, 2022.

~~(e)~~ **(f)** This subsection applies to a permit that is deposited with the commission after June 30, 2018, and before July 1, 2019. The permit reverts to the commission if the permit is not active before July 1, ~~2022~~; **2023**.

~~(f)~~ **(g)** This section expires July 1, 2024.

SECTION 24. IC 7.1-3-1-5, AS AMENDED BY P.L.285-2019, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) Except as provided in subsection (b), an application for a permit to sell alcoholic beverages of any kind, and the required publication of notice, shall disclose the name of the applicant and the specific address where the alcoholic beverages are to be sold, and any assumed business name under which the business will be



conducted. The application and notice also shall disclose:

- (1) the names ~~and addresses~~ of the president and secretary of the corporation, club, association, or organization who will be responsible to the public for the sale of the alcoholic beverage if the applicant is a corporation, club, association, or other type of organization; **or**
- (2) **the Internet web site where a member of the public may access the information in subdivision (1).**

(b) An application for a permit may be processed by the commission while the location of the permit premises is pending, upon a showing of need by the permit applicant. Any permit issued by the commission while the location of the permit premises is pending shall be placed immediately on deposit with the commission under IC 7.1-3-1-3.5 (before July 1, 2019) or (after June 30, 2019) IC 7.1-3-1.1 upon approval of the permit by the commission. If a permit issued by the commission is deposited with the commission under this subsection:

- (1) the applicant must go before the local board for approval of the applicant; and
- (2) before making the permit active, the permittee must go before the local board for approval of the location.

SECTION 25. IC 7.1-3-1-29, AS AMENDED BY P.L.35-2016, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 29. (a) For purposes of this section, "health facility" does not include an intermediate care facility for individuals with intellectual disabilities.

(b) As used in this section, "senior residence facility" means a:

- (1) health facility licensed under IC 16-28; or
- (2) housing with services establishment (as defined in IC 12-10-15-3).

(c) For purposes of this section, "senior residence facility campus" means a senior residence facility and the property on which a senior residence facility is located.

(d) A senior residence facility may, without a permit issued under this title, possess and give or furnish an alcoholic beverage, by the bottle, **by the container**, or by the glass, on the premises of the senior residence facility campus for consumption on the premises to any of the following:

- (1) A resident who:
 - (A) is not a minor; and
 - (B) resides on the premises of the senior residence facility.
- (2) A guest or family member of a resident described in subdivision (1) who:
 - (A) is not a minor; and
 - (B) is visiting the resident at the senior residence facility.



(e) Subject to subsection (f), this section may not be construed to authorize a senior residence facility to sell alcoholic beverages on the premises of the senior residence facility campus without a permit under this title.

(f) For purposes of this section, a senior residence facility that:

(1) charges a:

(A) room and board fee to residents of the senior residence facility; or

(B) fee for organizing activities for:

(i) residents of the senior residence facility; and

(ii) guests or family members of the residents;

(2) uses a portion of a fee described in subdivision (1) to:

(A) purchase alcoholic beverages; and

(B) furnish the alcoholic beverages to individuals described in subsection (d); and

(3) does not purchase and furnish the alcoholic beverages for profit;

is not considered to be selling alcoholic beverages.

SECTION 26. IC 7.1-3-1-30 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 30. (a) This section applies to a permittee that sells and delivers alcoholic beverages to a consumer's residence, regardless of whether the delivery is made by the permittee, permittee's employees, or (if allowed under the permittee's permit) a third party delivery service.**

(b) A person delivering alcoholic beverages to a customer's residence must require the customer to provide proof of age in accordance with IC 7.1-5-10-23.

SECTION 27. IC 7.1-3-1.1-4, AS ADDED BY P.L.285-2019, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. This section sets out the procedure for a permit holder to request deposit of a permit or extension of a term of deposit. A permit holder must do the following:

(1) Submit the permit holder's request for deposit or an extension of the term of deposit to the commission in writing. A permit holder must submit a request for extension at least sixty (60) days before the term of deposit expires.

(2) To make an initial request for deposit of a permit, the permit holder must submit documentation of the following:

(A) The specific reasons why the business for which the permit was issued is not immediately operational.

(B) A timetable for making the business and the permit active.

(C) A detailed statement of the permit holder's efforts to



make the business operational and the permit active.

~~(2)~~ **(3) To request an extension of a term of deposit**, appear at a public meeting of the commission and provide to the commission's satisfaction an explanation of the following:

(A) The specific reasons why the business for which the permit was issued is not immediately operational.

(B) A timetable for making the business operational and the permit active.

(C) A detailed statement of the permit holder's efforts to make the business operational and the permit active.

~~(3)~~ **(4) The permit holder shall** Submit to the commission any other documentation of the permit holder's efforts under subdivision ~~(2)(C)~~; **(3)(C)**, including:

(A) contracts for construction or renovation of the permit premises;

(B) zoning applications and approvals; and

(C) building permits and any other necessary government approvals.

~~(4)~~ **(5) If the commission approves the permit holder's initial request for deposit or request for an extension of a term of deposit**, pay any permit renewal fees that are due.

SECTION 28. IC 7.1-3-2-2, AS AMENDED BY P.L.79-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) The commission may issue a brewer's permit for a brewery that manufactures more than ninety thousand (90,000) barrels of beer in a calendar year for sale or distribution within Indiana. The commission may issue a brewer's permit under this subsection for a brewery that manufactures not more than ninety thousand (90,000) barrels of beer in a calendar year for sale or distribution within Indiana if the brewer holds more than one (1) brewer's permit and manufactures, at all of the brewer's breweries located in Indiana, an aggregate of more than ninety thousand (90,000) barrels of beer in a calendar year for sale or distribution within Indiana. The commission may issue a permit under this subsection only to:

(1) an individual;

(2) a partnership; ~~all the partners of which are bona fide residents of Indiana;~~

(3) a limited liability company; ~~all the members of which are bona fide residents of Indiana;~~ or

(4) a corporation organized and existing under the laws of Indiana and having authority under its charter to manufacture or sell beer.

The permit does not limit the number of barrels of beer in a calendar year that the brewer may manufacture for sale or distribution outside Indiana.



(b) The commission may issue a brewer's permit to a brewer for a brewery that manufactures not more than ninety thousand (90,000) barrels of beer in a calendar year for sale or distribution within Indiana. The commission may issue more than one (1) permit under this subsection to a brewer 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 commission may issue a permit under this subsection only to:

- (1) an individual;
- (2) a partnership organized and existing under the laws of Indiana;
- (3) a limited liability company organized and existing under the laws of Indiana; or
- (4) a corporation organized and existing under the laws of Indiana.

The permit does not limit the number of barrels of beer in a calendar year that the brewer may manufacture for sale or distribution outside Indiana.

SECTION 29. IC 7.1-3-2-7, AS AMENDED BY P.L.285-2019, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: 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 that is not subject to the minimum gross food sales or the minimum projected food sales set forth in 905 IAC 1-41-2.
 - (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 licensed~~ premises of the brewer or at the residence of the consumer. **Notwithstanding IC 7.1-1-3-20, the licensed premises may include the brewery parking lot or an area adjacent to the brewery that may only be used for the purpose of conveying alcoholic beverages and other nonalcoholic items to a customer subject to section 10 of this chapter, and may not be used for point of sale purposes or any other purpose.** 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.

(L) Transfer beer from a building described in clause (K) back to the brewery.

(M) A brewer may not sell or transfer beer directly to a permittee or consumer beer wholesaler from a building described in this clause (K), but may not sell or transfer beer from the building to any other permittee or a consumer. The brewer shall maintain an adequate written record of the beer transferred:

- (i) between the brewery and the separate building; and**
- (ii) from the separate building to the wholesaler.**

~~(L)~~ (N) Sell the brewery's beer to the holder of a supplemental caterer's permit issued under IC 7.1-3-9.5 for on-premises consumption only at an event that is held outdoors on property that is contiguous to the brewery as approved by the commission.

~~(M)~~ (O) Receive liquor from the holder of a distiller's permit issued under IC 7.1-3-7 or the holder of an artisan distiller's permit under IC 7.1-3-27 that is located in the same county as the brewery for the purpose of carbonating and canning the liquor. Upon the completion of canning of the liquor, the product must be returned to the original production facility within forty-eight (48) hours. The activity under this clause is not an interest under IC 7.1-5-9.

(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 30. IC 7.1-3-2-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 10. (a) This section applies to a permittee that conveys alcoholic beverages to a customer in a parking lot or an area adjacent to the brewery as provided under section 7(5)(H) of this chapter.**

(b) Alcoholic beverages must be:

- (1) in sealed containers; and**
- (2) placed by an employee of the permittee who is at least twenty-one (21) years of age:**
 - (A) in the trunk of the motor vehicle; or**
 - (B) behind the last upright seat of the motor vehicle, if the motor vehicle is not equipped with a trunk.**

(c) The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer to provide proof of age in accordance with IC 7.1-5-10-23.

(d) The parking lot or area where the alcoholic beverages are conveyed to the customer must be:

- (1) well lit; and**
- (2) within clear view of the main entrance of the brewery building premises.**

SECTION 31. IC 7.1-3-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 6. (a) The holder of a beer retailer's permit shall be entitled to purchase beer for sale under his permit only from a permittee entitled to sell to him 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. **This delivery may only be performed by the permit holder or an employee who holds an employee permit. The permit holder shall maintain a written record of each delivery for at least one (1) year that shows the customer's name, location of delivery, and quantity sold.**

(b) A beer retailer shall not be entitled to sell beer at wholesale. He shall not be entitled to sell and deliver beer on the street or at the curb outside the licensed premises, nor shall he 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) 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. **A beer retailer that delivers beer to a customer's residence must require the customer to provide proof of age in accordance with IC 7.1-5-10-23.**

(d) **Notwithstanding IC 7.1-1-3-20, the licensed premises of the beer retailer may include the beer retailer parking lot or an area adjacent to the beer retailer that may only be used for the purpose of conveying alcoholic beverages and other nonalcoholic items to a customer, and may not be used for point of sale purposes or any other purpose. Any alcoholic beverages conveyed to the customer must be:**

- (1) in the sealed original containers and placed in a bag that is stamped, printed, or labeled on the outside: "CONTAINS ALCOHOLIC BEVERAGES"; and**
- (2) placed by an employee of the permittee who is at least twenty-one (21) years of age:**
 - (A) in the trunk of the motor vehicle; or**
 - (B) behind the last upright seat of the motor vehicle, if the motor vehicle is not equipped with a trunk.**

A retailer permittee may only convey a customer's order of alcoholic beverages to the customer, if the customer has also purchased a meal from the retailer permittee that is conveyed to the customer at the same time as the alcoholic beverages.

(e) **The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer to provide proof of age in accordance with IC 7.1-5-10-23.**

(f) **The parking lot or area where the alcoholic beverages are conveyed to the customer must be:**

- (1) well lit; and**
- (2) within clear view of the main entrance to the building of the retailer premises.**



SECTION 32. IC 7.1-3-5-2, AS AMENDED BY P.L.285-2019, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) As used in this section, "proprietor of a package liquor store" means the person that:

- (1) holds the financial investment in; and
 - (2) exercises the financial and operational oversight of;
- a package liquor store.

(b) The commission may issue a beer dealer's permit only to an applicant who is the proprietor of a drug store, grocery store, or package liquor store.

(c) ~~Subject to subsection (d)~~; The commission may issue a beer dealer's permit to an applicant that is a foreign corporation if:

- (1) the applicant is duly admitted to do business in Indiana;
- (2) the sale of beer is within the applicant's corporate powers; and
- (3) the applicant is otherwise qualified under this title.

~~(d) Except as provided under IC 7.1-3-21-5.6, the commission may issue a beer dealer's permit under subsection (c) for the premises of a package liquor store only if the proprietor of the package liquor store satisfies the Indiana resident ownership requirements described in IC 7.1-3-21-5(b), IC 7.1-3-21-5.2(b), or IC 7.1-3-21-5.4(b).~~

~~(e)~~ (d) The commission shall not issue a beer dealer's permit to a person who is disqualified under the special disqualifications. However, the special disqualification listed in IC 7.1-3-4-2(a)(14) shall not apply to an applicant for a beer dealer's permit.

~~(f)~~ (e) Notwithstanding subsection (b), the commission may renew a beer dealer's permit for an applicant who:

- (1) held a permit before July 1, 1997; and
- (2) is the proprietor of a confectionery or a store that:
 - (A) is not a drug store, grocery store, or package liquor store;
 - (B) is in good repute; and
 - (C) in the judgment of the commission, deals in merchandise that is not incompatible with the sale of beer.

SECTION 33. IC 7.1-3-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) The holder of a beer dealer's permit shall be entitled to purchase beer for sale under the permit only from a permittee entitled to sell to a beer dealer under this title.

(b) A beer dealer shall be entitled to possess beer and sell it at retail to a customer in permissible containers only.

(c) A beer dealer may not sell beer by the drink nor for consumption on the licensed premises nor shall a beer dealer allow it to be consumed on the licensed premises.

(d) Except as provided in subsection (e), a beer dealer 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 residence or office. A beer dealer shall not be entitled to sell and deliver beer on the street or at the curb outside the licensed premises, nor shall a beer dealer be entitled to sell beer at a place other than the licensed premises. A beer dealer shall not be entitled to sell beer and deliver beer for carry-out, or for delivery to a customer's residence or office, in a quantity that exceeds eight hundred sixty-four (864) ounces in a single transaction. **This delivery may only be performed by the permit holder or an employee who holds an employee permit.** However, notwithstanding IC 7.1-5-10-11, a beer dealer who is licensed pursuant to IC 7.1-3-10-4 shall be entitled to sell and deliver warm or cold beer for carry-out, or for delivery to a customer's residence, office, or a designated location in barrels or other commercial containers that do not exceed two thousand sixteen (2,016) ounces per container. ~~This delivery may only be performed by the permit holder or an employee who holds an employee permit.~~ The permit holder shall maintain a written record of each delivery for at least one (1) year that shows the customer's name, location of delivery, and quantity sold.

(e) Unless a beer dealer is a grocery store or drug store, a beer dealer may not sell or deliver alcoholic beverages or any other item through a window in the licensed premises to a patron who is outside the licensed premises. A beer dealer that is a grocery store or drug store may sell any item except alcoholic beverages through a window in the licensed premises to a patron who is outside the licensed premises.

SECTION 34. IC 7.1-3-6-2, AS AMENDED BY P.L.285-2019, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. The commission may issue a temporary beer permit to a person who is qualified to hold a beer retailer's permit and who has such other qualifications as the commission may prescribe by a provisional order until it adopts a rule or regulation on the matter. However, the special disqualifications listed in IC 7.1-3-4-2(a)(4), IC 7.1-3-4-2(a)(9), and IC 7.1-3-4-2(a)(14) ~~and the residency requirements provided in IC 7.1-3-21-3,~~ shall not apply to an applicant for a temporary beer permit.

SECTION 35. IC 7.1-3-6-14, AS AMENDED BY P.L.285-2019, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection (b), the holder of a boat beer permit may purchase beer, possess it, and sell it at retail for consumption only in the dining room of the boat described in the application. The permit holder may sell beer only in the course of a run and only one (1) hour before the boat embarks on the run.

(b) This subsection applies only to the holder of a boat beer permit



who operates a jumbo boat. Subject to the approval of the local board of each county where the jumbo boat docks, the holder of a boat beer permit may purchase beer, possess it, ~~and~~ sell it at retail for consumption ~~only~~ on the jumbo boat described in the application, **and sell it for carryout**. The permit holder may sell beer during the time periods specified under IC 7.1-3-1-14.

SECTION 36. IC 7.1-3-7-3, AS AMENDED BY P.L.285-2019, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. **(a)** The holder of a distiller's permit shall be entitled to:

- (1)** manufacture liquor;
- (2)** ~~to rectify it;~~ **liquor; and to**
- (3)** ~~bottle it~~ **liquor; and**
- (4)** **insert liquor into containers.**

(b) A distiller shall enjoy all the privileges accorded the holder of a rectifier's permit, but the distiller shall not have to obtain a separate rectifier's permit nor pay an additional fee.

(c) A distiller shall be entitled to transport liquor and to sell and deliver it in shipments to points outside this state, or to the holder of a liquor wholesaler's permit, or to the holder of a rectifier's permit.

(d) A distiller may not sell liquor produced under a distiller's permit as issued under ~~IC 7.1-3-7-1~~ **section 1 of this chapter** to a consumer, nor to a person for the purpose of having it retailed by the person, whether that person holds a liquor retailer's permit under this title or not.

(e) A distiller may transport liquor to and from a brewery located within the same county for the purposes of carbonating and canning by the brewery.

(f) The activity under this section is not an interest under IC 7.1-5-9.

SECTION 37. IC 7.1-3-9-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. **(a)** The holder of a liquor retailer's permit shall be entitled to purchase liquor only from a permittee entitled to sell to him 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. **This delivery may only be performed by the permit holder or an employee who holds an employee permit. The permit holder shall maintain a written record of each delivery for at least one (1) year that shows the customer's name, location of delivery, and quantity sold.**

(b) A liquor retailer shall not be entitled to sell liquor at wholesale. He shall not be entitled to sell and deliver liquor on the street or at the



curb outside the licensed premises, nor shall he 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) 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. **A liquor retailer that delivers liquor to a customer's residence must require the customer to provide proof of age in accordance with IC 7.1-5-10-23.**

(d) **Notwithstanding IC 7.1-1-3-20, the licensed premises of the liquor retailer may include the liquor retailer parking lot or an area adjacent to the liquor retailer that may only be used for the purpose of conveying alcoholic beverages and other nonalcoholic items to a customer, and may not be used for point of sale purposes or any other purpose. Any alcoholic beverages conveyed to the customer must be:**

(1) in the sealed original containers and placed in a bag that is stamped, printed, or labeled on the outside: "CONTAINS ALCOHOLIC BEVERAGES"; and

(2) placed by an employee of the permittee who is at least twenty-one (21) years of age:

(A) in the trunk of the motor vehicle; or

(B) behind the last upright seat of the motor vehicle, if the motor vehicle is not equipped with a trunk.

A retailer permittee may only convey a customer's order of alcoholic beverages to the customer, if the customer has also purchased a meal from the retailer permittee that is conveyed to the customer at the same time as the alcoholic beverages.

(e) **The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer to provide proof of age in accordance with IC 7.1-5-10-23.**

(f) **The parking lot or area where the alcoholic beverages are conveyed to the customer must be:**

(1) well lit; and

(2) within clear view of the main entrance to the building of the retailer premises.

SECTION 38. IC 7.1-3-9-12, AS AMENDED BY P.L.1-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies to:

(1) the holder of a three-way permit that is issued to a civic center, a sports arena, a stadium, an exhibition hall, an auditorium, a theater, a tract that contains a premises that is described in IC 7.1-3-1-14(d)(2), or a convention center; or

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



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

(b) As used in this section, "grab and go store" means an area in a building or facility referred to in subsection (a) that satisfies all of the following:

- (1) The area customarily offers food, alcoholic beverages, nonalcoholic beverages, and other items for sale.**
- (2) The area is:**
 - (A) within a tract that contains a premises that is described in IC 7.1-3-1-14(d)(2);**
 - (B) in close proximity or adjacent to the concourse of or within the building or facility; or**
 - (C) within a restricted access club area of or within the building or facility.**
- (3) The area is:**
 - (A) delineated by nonpermanent stanchions or some other barrier providing for clear entrance and exit points; and**
 - (B) indicated on the floor plan approved by the commission.**
- (4) The area is accessible only by persons who possess a ticket to an event held in the building or facility.**

The term does not include a suite, restaurant, lounge, or concession area, even if access to the suite, restaurant, lounge, or concession area is limited to certain ticket holders. However, a grab and go store may operate within a restricted access club area that is in close proximity, adjacent to, or within a restaurant or lounge.

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

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

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

~~(c)~~ **(d) A permittee may allow the self-service of individual servings of alcoholic beverages in a suite or grab and go store.**

~~(d)~~ **(e) A person who:**

- (1) possesses a ticket described in subsection ~~(b)~~(3) (b)(4) or**



(c)(3); and
 (2) is at least twenty-one (21) years of age;
 may obtain an alcoholic beverage in a suite **or grab and go store** by self-service.

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

- (1) Demand that a person occupying a suite provide:
 - (A) a written statement under IC 7.1-5-7-4; ~~and or~~
 - (B) identification indicating that the person is at least twenty-one (21) years of age.
- (2) Supervise the self-service of alcoholic beverages **in the suite.**
- (3) Have an employee in the suite who **has a valid server certificate under IC 7.1-3-1.5 and** holds an employee permit under IC 7.1-3-18-9 to serve ~~some or all~~ of the alcoholic beverages.

(g) **In a grab and go store, a permittee shall do the following:**

- (1) **Require a purchaser to provide proof of age in accordance with IC 7.1-5-10-23.**
- (2) **Ensure all employees are at least twenty-one (21) years of age.**
- (3) **Have employees supervise the self-service of alcoholic beverages.**
- (4) **Have an employee present during the store's business hours who has a valid server certificate under IC 7.1-3-1.5 and holds an employee permit under IC 7.1-3-18-9 to sell alcoholic beverages to ensure compliance with this title, including compliance with IC 7.1-5-7-8 and IC 7.1-5-10-15.**
- (5) **Sell a purchaser not more than two (2) servings of alcoholic beverages at one (1) time.**

SECTION 39. IC 7.1-3-9.5-3, AS AMENDED BY P.L.285-2019, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) The holder of a supplemental caterer's permit is entitled to purchase alcoholic beverages only from:

- (1) a brewery as described in ~~IC 7.1-3-2-7(5)(L);~~ **IC 7.1-3-2-7(5)(N);**
- (2) a farm winery as described in IC 7.1-3-12-5(a)(12); and
- (3) any other permittee entitled to sell to the holder under this title.

Except as provided in IC 7.1-3-6.1, and IC 7.1-3-6.2, the holder of a supplemental caterer's permit is entitled to sell alcoholic beverages only for on-premises consumption at those locations approved by the commission and at times lawful under the holder's retailers' permits. Except as provided, IC 7.1-3-6.1 and IC 7.1-3-6.2, the holder of a supplemental caterer's permit is not entitled to sell alcoholic beverages at wholesale, nor for carry-out or at-home delivery.



(b) If permitted by the state fair commission under IC 7.1-3-21-14, a brewery under IC 7.1-3-2-7(5), a farm winery under IC 7.1-3-12, or an artisan distillery under IC 7.1-3-27 may sell their own products to consumers for consumption off the state fair grounds under IC 7.1-3-21-14(b)(3), including at a location on the property of the state fair grounds for which a supplemental caterer's permit has been approved.

SECTION 40. IC 7.1-3-10-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) The holder of a liquor dealer's permit shall be entitled to purchase liquor only from a permittee entitled to sell to a liquor dealer under this title.

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

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

(d) A liquor dealer may not sell or deliver alcoholic beverages or any other item through a window in the licensed premises to a patron who is outside the licensed premises. However, a liquor dealer that is a drug store may sell prescription drugs and health and beauty aids through a window in the licensed premises to a patron who is outside the licensed premises.

SECTION 41. IC 7.1-3-12-3, AS AMENDED BY P.L.165-2006, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. The commission may issue a farm winery permit to a person who:

- (1) is the proprietor of a farm winery;
- (2) desires to commercially manufacture wine; and
- (3) is either:
 - (A) an individual; or
 - (B) a partnership, limited liability company, or corporation domiciled in or admitted to do business in Indiana.

A farm winery permit shall be valid from July 1, of the then current year to June 30, of the following year. ~~IC 7.1-3-21-5 does not apply to a farm winery permit issued under this chapter.~~



SECTION 42. IC 7.1-3-12-5, AS AMENDED BY P.L.285-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) The following apply to the holder of a farm winery permit:

(1) A holder is entitled to manufacture wine and to **bottle place** wine produced by the permit holder's farm winery **in bottles or other permissible containers.**

(2) A holder 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's permit under IC 7.1-3-18-9; and

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

(3) A holder is entitled to sell the winery's wine on the licensed premises to consumers either by:

(A) the glass;

(B) the bottle;

(C) a box that contains a bag designed for storing and dispensing wine; **or**

(D) any combination of receptacles listed in clauses (A) through (C); **or**

(E) any other container permissible under federal law.

Notwithstanding IC 7.1-1-3-20, the licensed premises may include the farm winery parking lot or an area adjacent to the farm winery. The parking lot or an adjacent area may only be used for the purpose of conveying alcoholic beverages and other nonalcoholic items to a customer subject to section 5.5 of this chapter, and may not be used for point of sale purposes or any other purpose.

(4) A holder 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) A holder is entitled to sell wine by:

(A) the bottle;

(B) the can;

~~(B)~~ (C) a box that contains a bag designed for storing and dispensing wine;

~~(C)~~ (D) bulk container;

~~(D)~~ (E) the case; or

~~(E)~~ (F) any combination of receptacles listed in clauses (A) through ~~(D)~~; ~~(E)~~;

to a person who is the holder of a permit to sell wine at wholesale.



- (6) A holder is exempt from the provisions of IC 7.1-3-14.
- (7) A holder is entitled to advertise the name and address of any retailer or dealer who sells wine produced by the permit holder's winery.
- (8) A holder 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) A holder is entitled to purchase and sell bulk wine as set forth in this chapter.
- (10) A holder is entitled to sell wine as authorized by this section for carryout on Sunday.
- (11) A holder 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.
- (12) A holder is entitled to sell the farm winery's wine to the holder of a supplemental caterer's permit issued under IC 7.1-3-9.5 for on-premises consumption only at an event that is held outdoors on property that is contiguous to the farm winery as approved by the commission.
- (13) A holder is entitled to be the proprietor of a restaurant that is not subject to the minimum gross food sales or the minimum projected food sales set forth in 905 IAC 1-41-2 and the gross retail income requirements to sell carryout under IC 7.1-3-20-9.5. A holder is entitled to conduct the following activities:
- (A) Hold a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant.
 - (B) Transfer wine directly from the farm winery to a restaurant that the farm winery has an interest in by means of:
 - (i) bottles **or cans**;
 - (ii) bulk containers; or
 - (iii) a continuous flow system.
 - (C) Install a window between the farm winery and an adjacent restaurant that allows the public and the holder of the permit to view both premises.
 - (D) Install a doorway or other opening between the farm winery and an adjacent restaurant that provides the public and the holder of the permit with access to both the farm winery and restaurant.
- (14) A holder that does not distribute through an Indiana wine wholesaler is entitled under the farm winery permit to sell and deliver to a person holding a wine retailer or wine dealer permit under this title a total of not more than three**



thousand (3,000) gallons of the farm winery's wine in a calendar year, if the farm winery has not sold in Indiana more than fifteen thousand (15,000) gallons the previous calendar year. A holder that sells and delivers under this subdivision shall comply with all provisions applicable to a wholesaler in 905 IAC 1-5.1, 905 IAC 1-5.2, 905 IAC 1-21, 905 IAC 1-31, and 905 IAC 1-32.1.

(15) A holder must annually submit to the commission copies of its Indiana and federal excise tax returns.

(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 wine or bottling of~~ **placing wine in bottles or containers.**

(c) A farm winery may transfer wine from a storage facility or an additional location described in subsection (b). A farm winery may sell or transfer wine directly to a wine wholesaler from a storage facility separate from the farm winery or an additional location described in subsection (b). A farm winery may not sell or transfer wine from a storage facility to any other permittee or a consumer. The farm winery shall maintain an adequate written record of wine transferred:

- (1) between the farm winery and the storage facility; and**
- (2) from the storage facility to the wholesaler.**

~~(e)~~ **(d)** 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 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.

SECTION 43. IC 7.1-3-12-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5.5. (a) This section applies to a farm winery that conveys alcoholic beverages to a customer in a parking lot or an area adjacent to the farm winery as provided under section 5 of this chapter.**



(b) Wine must be:

- (1) in the sealed original containers; and**
- (2) placed by an employee of the permittee who is at least twenty-one (21) years of age:**
 - (A) in the trunk of the motor vehicle; or**
 - (B) behind the last upright seat of the motor vehicle, if the motor vehicle is not equipped with a trunk.**

(c) The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer to provide proof of age in accordance with IC 7.1-5-10-23.

(d) The parking lot or area where the alcoholic beverages are conveyed to the customer must be:

- (1) well lit; and**
- (2) within clear view of the main entrance to the building of the farm winery premises.**

SECTION 44. IC 7.1-3-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) 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. **This delivery may only be performed by the permit holder or an employee who holds an employee permit. The permit holder shall maintain a written record of each delivery for at least one (1) year that shows the customer's name, location of delivery, and quantity sold.**

(b) 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) A wine retailer is entitled to sell and deliver wine for carry out, or for at-home delivery. **A wine retailer that delivers wine to a customer's residence must require the customer to provide proof of age in accordance with IC 7.1-5-10-23.**

(d) Notwithstanding IC 7.1-1-3-20, the licensed premises of the wine retailer may include the wine retailer parking lot or an area adjacent to the wine retailer that may only be used for the purpose of conveying alcoholic beverages and other nonalcoholic items to a customer, and may not be used for point of sale purposes or any other purpose. Any alcoholic beverages conveyed to the customer



must be:

- (1) in the sealed original containers and placed in a bag that is stamped, printed, or labeled on the outside: "CONTAINS ALCOHOLIC BEVERAGES"; and
- (2) placed by an employee of the permittee who is at least twenty-one (21) years of age:
 - (A) in the trunk of the motor vehicle; or
 - (B) behind the last upright seat of the motor vehicle, if the motor vehicle is not equipped with a trunk.

A retailer permittee may only convey a customer's order of alcoholic beverages to the customer, if the customer has also purchased a meal from the retailer permittee that is conveyed to the customer at the same time as the alcoholic beverages.

(e) The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer to provide proof of age in accordance with IC 7.1-5-10-23.

(f) The parking lot or area where the alcoholic beverages are conveyed to the customer must be:

- (1) well lit; and
- (2) within clear view of the main entrance to the building of the retailer premises.

SECTION 45. IC 7.1-3-16-6, AS AMENDED BY P.L.285-2019, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. The commission may issue a temporary wine permit to a person who is qualified to hold a beer retailer's permit and who has such other qualifications as the commission may prescribe by a provisional order until it adopts a rule or regulation on the matter. However, the special disqualifications listed in IC 7.1-3-4-2(a)(4), IC 7.1-3-4-2(a)(9), and IC 7.1-3-4-2(a)(14) ~~and the residency requirements provided in IC 7.1-3-21-3;~~ shall not apply to an applicant for a temporary wine permit.

SECTION 46. IC 7.1-3-20-29, AS ADDED BY P.L.285-2019, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) As used in this section, "food hall" means the premises:

- (1) located within a retail shopping and food service district; and
- (2) to which a master permit is issued under this section.

(b) As used in this section, "master permit" means a food hall master permit issued under this section.

(c) **Except as provided in subsection (d)**, the commission may issue a master permit, which is a three-way retailer's permit for on premises consumption, to a food hall located in a retail shopping and food service district that meets the following requirements:

- (1) The district consists of an area that:
 - (A) has been redeveloped, renovated, or environmentally



remediated in part with grants from the federal, state, or local government under IC 36-7-11; and

(B) is entirely located within an incorporated city or town.

(2) The district consists of land and a building or group of buildings that are part of a common development.

(3) The district is located within a locally designated historic district under IC 36-7-11 established by a city or town ordinance.

(4) The district contains at least one (1) building that:

(A) is on the list of the National Register for Historic Places or qualifies as a historic building worthy of preservation under IC 36-7-11; and

(B) has been approved for present commercial use by the local historic preservation commission of the city or town.

(d) Subsection (c)(3) and (c)(4) does not apply to a food hall that:

(1) is located within a certified technology park established under IC 36-7-32; and

(2) operates within a previously vacant building that was, or within a complex of buildings that were:

(A) placed in service at least twenty-five (25) years prior to the redevelopment of the building or buildings; and

(B) owned by a unit of local government or a public charitable trust prior to redevelopment.

(e) (e) The commission may issue a master permit to the owner or developer of a food hall. The food hall constitutes a single permit premises that:

(1) contains not less than seven (7) distinct, nonaffiliated retail food and beverage vendors, each of which may apply for a food hall vendor permit under section 30 of this chapter; and

(2) has a seating capacity of the type traditionally designed for food and drink for at least one hundred (100) people.

(f) (f) An applicant for a master permit shall post notice and appear in front of the local board in which the permit premises is situated. The local board shall determine the eligibility of the applicant under this section and hear evidence in support of or against the master permit location. A master permit may not be transferred to a location outside the food hall permit premises. A permit that is inactive for more than six (6) months shall revert back to the commission or may be deposited with the commission under IC 7.1-3-1.1 with the commission's permission.

(g) (g) A master permit authorized by this section may be issued without regard to the proximity provisions of IC 7.1-3-21-11 or the quota provisions of IC 7.1-3-22.

SECTION 47. IC 7.1-3-20-30, AS ADDED BY P.L.285-2019,



SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 30. (a) The definitions in section 29 of this chapter apply to this section.

(b) As used in this section, "vendor's permit" means a food hall vendor's permit issued to an individual vendor operating within the premises of a food hall for which a master permit is issued under section 29 of this chapter.

(c) The commission may issue a one-, two-, or three-way retailer's permit for on-premises consumption only to an applicant for a vendor's permit that has been approved by the commission to operate within a food hall. **However, a vendor to which section 31 of this chapter applies may also sell the alcoholic beverages set forth in section 31(c) of this chapter for off the premises consumption.** Each vendor that sells alcoholic beverages within the food hall must obtain a vendor's permit.

(d) Each vendor permittee must satisfy the following requirements:

(1) Each vendor permittee shall:

(A) maintain the vendor permittee's own retail merchant's certificate; and

(B) be responsible for the payment of the vendor permittee's own state gross retail taxes under IC 6-2.5 and withholding taxes required to be remitted under IC 6-3-4.

(2) Each vendor permittee shall conform to all health and safety requirements of local and state agencies.

(3) Each vendor permittee shall comply with all requirements under IC 7.1-5-9-15.

(4) Each vendor permittee shall comply with IC 7.1-5-10-20 with regard to the vendor permittee's own food and beverage vending space. However, IC 7.1-5-10-20 does not prohibit a vendor permittee from establishing sale prices for drinks that are different from the sale prices for comparable drinks that are set by other vendor permittees.

(5) Each vendor permittee is not required to comply with section 9(b) of this chapter.

(6) Each vendor permittee is responsible to the commission for any and all violations of alcohol laws and rules associated with the vendor's permit.

(7) Each applicant for a vendor's permit must comply with 905 IAC 1-36-1 and 905 IAC 1-36-2 and appear before the local alcohol board in the county in which the food hall vendor's permit will be situated. The local board shall only hear evidence on and determine the vendor's permit applicant's eligibility to hold a vendor's permit.

(8) Any vendor permittee that desires to relocate its food and



beverage space within the food hall premises may relocate upon the commission's approval of a floor plan change.

(e) A vendor's permit authorized by this section may be issued without regard to the proximity provisions of IC 7.1-3-21-11 or the quota provisions of IC 7.1-3-22.

(f) A vendor's permit may not be transferred to a location outside the permit premises of the food hall. A vendor's permit that is inactive for more than six (6) months shall revert back to the commission or may be deposited with the commission subject to the approval of the commission.

SECTION 48. IC 7.1-3-20-31 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 31. (a) This section applies to the holder of a vendor's permit that owns in whole or in part:**

(1) a retailer's permit described in section 30(c) of this chapter; and

(2) one (1) of the following:

(A) A brewer's permit described in IC 7.1-3-2-7(5).

(B) A farm winery permit described in IC 7.1-3-12-3.

(C) An artisan distiller's permit described in IC 7.1-3-27.

(b) The definitions in sections 29 and 30 of this chapter apply to this section.

(c) A holder of a vendor's permit may sell for carryout at the premises for which the retailer's permit was issued:

(1) beer manufactured under the brewer's permit, if the vendor's permit holder has a one-, two-, or three-way retailer's permit;

(2) wine manufactured under the farm winery permit, if the vendor's permit holder has a two- or three-way retailer's permit; or

(3) liquor manufactured under the artisan distiller's permit, if the vendor's permit holder has a three-way retailer's permit.

SECTION 49. IC 7.1-3-21-3 IS REPEALED [EFFECTIVE JULY 1, 2021]. **Sec. 3:** The commission shall not issue an alcoholic beverage retailer's or dealer's permit of any type to a person who has not been a continuous and bona fide resident of Indiana for five (5) years immediately preceding the date of the application for a permit.

SECTION 50. IC 7.1-3-21-5, AS AMENDED BY P.L.214-2016, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 5. (a) The commission shall not issue an alcoholic beverage retailer's permit of any type to a corporation unless sixty percent (60%) of the outstanding common stock is owned by persons who have been continuous and bona fide residents of Indiana for five**



(5) years.

(b) The commission shall not issue an alcoholic beverage dealer's permit of any type for the premises of a package liquor store to a corporation unless:

(1) sixty percent (60%) of the outstanding stock in the corporation is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years; and

(2) the stock described in subdivision (1) constitutes a controlling interest in the corporation.

(c) Each officer and stockholder of a corporation shall possess all other qualifications required of an individual applicant for that particular type of permit.

SECTION 51. IC 7.1-3-21-5.2, AS AMENDED BY P.L.214-2016, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5.2. (a) The commission shall not issue an alcoholic beverage retailer's permit of any type to a limited partnership unless at least sixty percent (60%) of the partnership interest is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years.

(b) The commission shall not issue an alcoholic beverage dealer's permit of any type for the premises of a package liquor store to a limited partnership unless:

(1) at least sixty percent (60%) of the partnership interest is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years; and

(2) the partnership interest described in subdivision (1) constitutes a controlling interest in the limited partnership.

(c) Each general partner and limited partner of a limited partnership must possess all other qualifications required of an individual applicant for that particular type of permit.

SECTION 52. IC 7.1-3-21-5.4, AS AMENDED BY P.L.44-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5.4. (a) The commission shall not issue an alcoholic beverage retailer's permit of any type to a limited liability company unless at least sixty percent (60%) of the membership interest is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years.

(b) The commission shall not issue an alcoholic beverage dealer's permit of any type for the premises of a package liquor store to a limited liability company unless:

(1) at least sixty percent (60%) of the outstanding membership interest in the limited liability company is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years; and



(2) the membership interest described in subdivision (1) constitutes a controlling interest in the limited liability company.

(e) Each manager and member of a limited liability company must possess all other qualifications required of an individual applicant for that particular type of permit.

SECTION 53. IC 7.1-3-21-5.6 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 5.6. (a) Notwithstanding section 5, 5.2, or 5.4 of this chapter, the commission may renew or transfer ownership of a dealer's permit of any type for the holder of a dealer's permit who:

(1) held the permit for the premises of a package liquor store before January 1, 2016; and

(2) does not qualify for the permit under section 5(b), 5.2(b); or 5.4(b) of this chapter.

(b) The commission may transfer ownership of a dealer's permit under this section only to an applicant who satisfies the Indiana resident ownership requirements under this chapter.

SECTION 54. IC 7.1-3-21-7 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 7. The provisions of section 5 of this chapter shall not apply to the common stock ownership of a corporation holding a restaurant permit and having less than sixty percent (60%) resident ownership prior to March 14, 1963.

SECTION 55. IC 7.1-3-21-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. The commission shall not issue an alcoholic beverage permit of any type to a person unless that person has on file with the commission a verified list containing the name and address of each person who is, or will be, financially or beneficially interested or entity holding at least a two percent (2%) interest in the permit and the business conducted, or to be conducted, under it. **If a publicly traded corporation has an interest, the list shall provide the name and address of only:**

(1) the chief executive officer;

(2) the chief financial officer;

(3) the chief operating officer; and

(4) the members of the board of directors;

of the corporation. At all times, a change in the list shall be filed by the applicant or permittee with the commission within ten (10) days of the date when the change became effective. The lists, together with any changes, shall be kept on file in the office of the commission and they shall be open to public inspection.

SECTION 56. IC 7.1-3-21-11, AS AMENDED BY P.L.285-2019, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. (a) **As used in this section "craft manufacturer" means:**

(1) a small brewery under IC 7.1-3-2-7(5);



(2) a farm winery under IC 7.1-3-12, including any additional locations of the farm winery operated under IC 7.1-3-12-5(b); or

(3) an artisan distillery under IC 7.1-3-27.

~~(a)~~ **(b)** As used in this section, "wall" means a wall of a building. The term does not include a boundary wall.

~~(b)~~ **(c)** Except as provided in subsections ~~(c)~~, ~~(g)~~, and ~~(h)~~, **(d)**, **(h)**, and **(i)**, the commission may not issue a permit for a premises if:

(1) a wall of the premises is situated within two hundred (200) feet from a wall of a school or church; and

(2) if ~~no~~ a permit has **not** been issued for the premises under the provisions of Acts 1933, Chapter 80.

~~(c)~~ **(d)** This section does not apply to the premises of a:

(1) grocery store, drug store, restaurant, hotel, catering hall, **craft manufacturer**, or location for which the use of a supplemental catering permit has been approved if:

(A) a wall of the premises is situated within two hundred (200) feet from a wall of a church or school;

(B) the commission receives a written statement from the authorized representative of the church or school stating expressly that the church or school does not object to the issuance of the permit for the premises; and

(C) the commission determines that the church or school does not object to the issuance of the permit for the premises; or

(2) church or school that applies for a temporary beer or wine permit.

~~(d)~~ **(e)** The commission shall base its determination under subsection ~~(c)~~~~(1)~~~~(C)~~ **(d)****(1)****(C)** solely on the written statement of the authorized representative of the church or school.

~~(e)~~ **(f)** If the commission does not receive the written statement of the authorized representative of the church or school, the premises of the grocery store, drug store, restaurant, hotel, catering hall, **craft manufacturer**, or location for which the use of a supplemental catering permit has been approved may not obtain the waiver allowed under this section.

~~(f)~~ **(g)** If the commission determines that the church or school does not object, this section and IC 7.1-3-21-10 do not apply to the permit premises of the grocery store, drug store, restaurant, hotel, **craft manufacturer**, or catering hall on a subsequent renewal or transfer of ownership.

~~(g)~~ **(h)** If the commission:

(1) receives a written statement from the authorized representative of a church or school as described in subsection

~~(c)~~~~(1)~~**(B)**; **(d)****(1)****(B)**; and



(2) determines the church or school does not object as described in subsection ~~(c)(1)(C)~~; **(d)(1)(C)**;
the commission may not consider subsequent objections from the church or school to the issuance of the same permit type at the same premises location.

~~(h)~~ **(i)** The commission may issue a permit for a premises if the wall of the premises and the wall of a church are separated by at least eighty-five (85) feet, including a two (2) lane road of at least thirty (30) feet in width.

SECTION 57. IC 7.1-3-23-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 16. The commission may revoke:

- (1) a wholesaler's, retailer's, or dealer's permit of any type;
- (2) the permit of a farm winery that sells and delivers under IC 7.1-3-12-5(a)(14); or**
- (3) the permit of an artisan distillery that sells and delivers under IC 7.1-3-27-8(a)(11);**

after final judgment of conviction for an offense defined in this title. The commission may revoke the permit of a ~~wholesaler, retailer, or dealer~~ **holder listed in subdivision (1) through (3)** upon a second violation of a provision of this title whether a judgment of conviction ensues or not.

SECTION 58. IC 7.1-3-24-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. ~~Surviving Spouse or Heir~~. The surviving spouse or heir of a deceased permittee may be permitted to continue the business conducted by the deceased permittee, without probate proceedings, if ~~the consent of the department of local government finance is procured; and if both of the following occur:~~

- (1) The court having probate jurisdiction ~~shall find~~ **finds** that the surviving spouse or heir of the deceased permittee possesses the qualifications required of an applicant for that particular type of permit.
- ~~(2) A~~ **The** surviving spouse or heir who desires to carry on the business of the deceased permittee ~~as authorized by this section; must apply~~ **applies** for and ~~receive~~ **receives** the written consent of the chairman. A copy of the court's findings on the qualifications of the applicant must accompany the application for written consent.

SECTION 59. IC 7.1-3-27-8, AS AMENDED BY P.L.285-2019, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: 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) Insert liquor manufactured by the artisan distiller into a container.

~~(3)~~ **(4)** Store liquor manufactured by the artisan distiller, including at a facility **located** within ten (10) miles of the artisan distiller's distillery.

~~(4)~~ **(5)** 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)~~ **(6)** Sell liquor manufactured by the artisan distiller to consumers by the drink, bottle, **container**, or case from the **licensed** premises of the distillery where the liquor was manufactured. **Notwithstanding IC 7.1-1-3-20, the licensed premises may include the distillery parking lot or an area adjacent to the artisan distillery. The parking lot or adjacent area may only be used for the purpose of conveying alcoholic beverages and other nonalcoholic items to a customer subject to section 8.1 of this chapter and may not be used for point of sale purposes or any other purpose.**

~~(6)~~ **(7)** 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)~~ **(8)** 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)~~ **(9)** 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.

~~(9)~~ **(10)** Be the proprietor of a restaurant that is not subject to the minimum gross food sales or the minimum projected food sales set forth in 905 IAC 1-41-2 and the gross retail income



requirements to sell carryout under IC 7.1-3-20-9.5. A holder is entitled to conduct the following activities:

(A) Hold a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant.

(B) Transfer liquor directly from the artisan distillery to a restaurant that the artisan distiller has an interest in by means of:

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

(C) Install a window between the artisan distillery and an adjacent restaurant that allows the public and the holder of the permit to view both premises.

(D) Install a doorway or other opening between the artisan distillery and an adjacent restaurant that provides the public and the holder of the permit with access to both the artisan distillery and restaurant.

(11) A holder that does not distribute through an Indiana liquor wholesaler is entitled under the artisan distiller's permit to sell and deliver to a person holding a liquor retailer or liquor dealer permit under this title a total of not more than one thousand (1,000) gallons of the artisan distillery's liquor in a calendar year, if the artisan distiller has not sold in Indiana more than nine thousand (9,000) gallons the previous calendar year. A holder that sells and delivers under this subdivision shall comply with all provisions applicable to a wholesaler in 905 IAC 1-5.1, 905 IAC 1-5.2, 905 IAC 1-21, 905 IAC 1-31, and 905 IAC 1-32.1.

(12) A holder must annually submit to the commission copies of its Indiana and federal excise tax returns.

(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)~~ **(a)(4)** must conform with federal laws, rules, and regulations. ~~and (2) must not be used for any purposes except for the storage of liquor.~~ **An artisan distiller may transfer liquor from a separate storage facility back to the artisan distillery. An artisan distiller may sell or transfer liquor directly to a liquor wholesaler from a storage facility that is separate from the artisan distillery. An artisan distiller may not sell or transfer liquor from a storage facility to any other permittee or a consumer. The artisan distiller shall maintain an adequate written record of the liquor transferred:**



- (1) between the artisan distillery and the storage facility; and**
- (2) from the storage facility to the liquor wholesaler.**

(d) The holder of an artisan distiller's permit may transport liquor to and from a brewery located within the same county for the purposes of carbonating and canning by the brewery. The activity under this subsection is not an interest under IC 7.1-5-9.

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

SECTION 60. IC 7.1-3-27-8.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 8.1. (a) This section applies to an artisan distillery that conveys alcoholic beverages to a customer in a parking lot or an area adjacent to the artisan distillery as provided under section 8(a)(6) of this chapter.**

(b) Liquor must be:

- (1) in the sealed original containers; and**
- (2) placed by an employee of the permittee who is at least twenty-one (21) years of age:**
 - (A) in the trunk of the motor vehicle; or**
 - (B) behind the last upright seat of the motor vehicle, if the motor vehicle is not equipped with a trunk.**

(c) The employee of the permittee that conveys the alcoholic beverages to the customer must require the customer to provide proof of age in accordance with IC 7.1-5-10-23.

(d) The parking lot or area where the alcoholic beverages are conveyed to the customer must be:

- (1) well lit; and**
- (2) within clear view of the main entrance to the building of the artisan distillery premises.**

SECTION 61. IC 7.1-3-28 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

Chapter 28. Rye Whiskey

Sec. 1. As used in this chapter, "Indiana rye whiskey" means a liquor that was:

- (1) manufactured in Indiana;**
- (2) produced with a mash bill that is at least fifty-one percent (51%) rye;**
- (3) distilled to not more than one hundred sixty (160) proof or eighty percent (80%) alcohol by volume;**
- (4) aged in new, charred white oak barrels;**
- (5) placed in a barrel at not more than one hundred twenty-five (125) proof or sixty-two and one-half percent (62 1/2%) alcohol by volume;**
- (6) rested in a rack house for at least two (2) years in Indiana;**



and

(7) bottled at not less than eighty (80) proof or forty percent (40%) alcohol by volume.

Sec. 2. A person may not advertise, label, sell, or refer for marketing or sales purposes to liquor as:

- (1) Indiana rye;
- (2) Indiana rye whiskey;
- (3) Indiana rye whisky;
- (4) Indiana sweet mash rye whiskey;
- (5) Indiana sweet mash rye whisky;
- (6) Indiana sour mash rye whiskey; or
- (7) Indiana sour mash rye whisky;

unless the liquor meets the requirements of Indiana rye whiskey as set forth in section 1 of this chapter.

SECTION 62. IC 7.1-4-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) All sales of alcoholic beverages made by a primary source of supply to a liquor wholesaler shall at the time of the sale be accompanied by an invoice that must show the following:

- (1) The name and address of the seller and the purchaser.
- (2) The date of disposition.
- (3) The name or names of each brand sold.
- (4) The number of packages, if any.
- (5) The number of cases by size of bottle **or container.**
- (6) The quantity of each kind of alcoholic beverage sold.

(b) The primary source of supply shall send a copy of the invoice to the department of revenue and the commission at the time of the sale.

SECTION 63. IC 7.1-4-9-7, AS AMENDED BY P.L.224-2005, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) Thirty-three percent (33%) of the money in the excise fund shall, upon warrant of the state auditor, be paid into the general fund of the treasury of the city or town in which the retailer's or dealer's licensed premises are located. The money shall be paid to the treasurer of the county in which the retailer's or dealer's premises are located if they are located outside the corporate limits of a city or town.

(b) Not later than ten (10) days after:

- (1) an annexation ordinance is filed under IC 36-4-3-22; or
- (2) the second of the two (2) approvals of an annexation is filed under IC 36-3-2-7;

the annexing municipality shall provide notice to the chairman of the commission of any retailer's or dealer's premises located within the annexed territory. The notice shall be in writing, sent by certified mail, and must include the effective date of the annexation and the business name and street address of the retailer's or



dealer's premises.

(c) **The distribution from the excise fund shall continue to be paid to the jurisdiction on record with the commission, until the chairman of the commission receives the notice under this section that the retailer's or dealer's premises have been annexed into the city or town. An annexing city or town:**

(1) shall be paid distributions that accrue after the date the chairman receives notice; and

(2) is not entitled to retroactive payment of any distributions accruing before the date the chairman receives notice.

SECTION 64. IC 7.1-5-1-1, AS AMENDED BY P.L.32-2019, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) It is unlawful for a person to manufacture for sale, bottle, **insert into a container**, sell, barter, import, transport, deliver, furnish, or possess, alcohol or alcoholic beverages, malt, malt syrup, malt extract, liquid malt or wort, for commercial purposes except as authorized in this title.

(b) A person who knowingly or intentionally violates this section commits a Class C infraction. However, the violation is a Class B misdemeanor if the person has a prior unrelated adjudication or conviction for a violation of this section within the previous five (5) years.

SECTION 65. IC 7.1-5-10-12, AS AMENDED BY P.L.156-2020, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 12. (a) Except as provided in subsections (b) through (d) and subsection (g), it is unlawful for a permittee to sell, offer to sell, purchase or receive, an alcoholic beverage for anything other than cash. A permittee who extends credit in violation of this section shall have no right of action on the claim.

(b) A permittee may credit to a purchaser the actual price charged for a package or an original container returned by the original purchaser as a credit on a sale and refund to a purchaser the amount paid by the purchaser for a container, or as a deposit on a container, if it is returned to the permittee.

(c) A manufacturer may extend usual and customary credit for alcoholic beverages sold to a customer who maintains a place of business outside this state when the alcoholic beverages are actually shipped to a point outside this state.

(d) An artisan distiller, a distiller, **a farm winery**, or a liquor or wine wholesaler may extend credit on liquor, flavored malt beverages, and wine sold to a permittee for a period of fifteen (15) days from the date of invoice, date of invoice included. However, if the fifteen (15) day period passes without payment in full, the:

(1) wholesaler;



(2) farm winery that sells and delivers under IC 7.1-3-12-5(a)(14); or

(3) artisan distillery that sells and delivers under IC 7.1-3-27-8(a)(11);

shall sell to that permittee on a cash on delivery basis only.

(e) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

(f) Nothing in this section may be construed to prohibit a hotel, restaurant, caterer, or a club that is not open to the general public from extending credit to a consumer purchasing alcohol for personal use at any time.

(g) Nothing in this section may be construed to prohibit a retailer or dealer from accepting a:

- (1) credit card;
- (2) debit card;
- (3) charge card; or
- (4) stored value card;

from a consumer purchasing alcohol for personal use.

SECTION 66. IC 36-3-2-7, AS AMENDED BY P.L.113-2010, SECTION 114, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) This section governs the transfer of territory that is either:

- (1) inside the corporate boundaries of the consolidated city and contiguous to an excluded city; or
- (2) inside the corporate boundaries of an excluded city and contiguous to the consolidated city.

IC 36-4-3 does not apply to such a transfer.

(b) If the owners of land located in territory described in subsection (a) want to have that territory transferred from one (1) municipality to the other, they must file:

- (1) a petition for annexation of that territory with the legislative body of the contiguous municipality; and
- (2) a petition for disannexation of that territory with the legislative body of the municipality containing that territory.

Each petition must be signed by at least fifty-one percent (51%) of the owners of land in the territory sought to be transferred. The territory must be reasonably compact in configuration, and its boundaries must generally follow streets or natural boundaries.

(c) Each legislative body shall, not later than sixty (60) days after a petition is filed with it under subsection (b), either approve or disapprove the petition, with the following results:

- (1) Except as provided in subsection ~~(g)~~; **(h)**, if both legislative bodies approve, the transfer of territory takes effect:
 - (A) on the effective date of the approval of the latter



legislative body to act; and

(B) when a copy of each transfer approval has been filed under subsection (f).

(2) If the legislative body of the contiguous municipality disapproves or fails to act within the prescribed period, the proceedings are terminated.

(3) If the legislative body of the contiguous municipality approves but the legislative body of the other municipality disapproves or fails to act within the prescribed period, the proceedings are terminated unless there is an appeal under subsection (d).

(d) In the case described by subsection (c)(3), the petitioners may, not later than sixty (60) days after the disapproval or expiration of the prescribed period, appeal to the circuit court. The appeal must allege that the benefits to be derived by the petitioners from the transfer outweigh the detriments to the municipality that has failed to approve, which is defendant in the appeal.

(e) The court shall try an appeal under subsection (d) as other civil actions, but without a jury. If the court determines that:

(1) the requirements of this section have been met; and

(2) the benefits to be derived by the petitioners outweigh the detriments to the municipality;

it shall order the transfer of territory to take effect on the date its order becomes final, subject to subsection ~~(g)~~; **(h)**, and shall file the order under subsection (f). However, if the municipality, or a district of it, is furnishing sanitary sewer service or municipal water service in the territory, or otherwise has expended substantial sums for public facilities (other than roads) specially benefiting the territory, the court shall deny the transfer.

(f) A municipal legislative body that approves a transfer of territory under subsection (c) or a court that approves a transfer under subsection (e) shall file a copy of the approval or order, setting forth a legal description of the territory to be transferred, with:

(1) the office of the secretary of state; and

(2) the circuit court clerk of each county in which the municipality is located.

(g) Not later than ten (10) days after the second of the two (2) approvals is filed under subsection (f), the municipality that annexes the territory shall provide notice to the chairman of the alcohol and tobacco commission as set forth in IC 7.1-4-9-7 of any retailer's or dealer's premises located within the annexed territory.

~~(g)~~ **(h)** A transfer of territory under this section may not take effect during the year preceding a year in which a federal decennial census is conducted. A transfer of territory that would otherwise take effect during the year preceding a year in which a federal decennial census is



conducted takes effect January 1 of the year in which a federal decennial census is conducted.

~~(h)~~ **(i)** A petition for annexation or disannexation under this section may not be filed with respect to land as to which a transfer of territory has been disapproved or denied within the preceding three (3) years.

~~(i)~~ **(j)** The legislative body of a municipality annexing territory under this section shall assign the territory to at least one (1) municipal legislative body district under IC 36-3-4-3 or IC 36-4-6 not later than thirty (30) days after the transfer of territory becomes effective under this section.

~~(j)~~ **(k)** Notwithstanding subsection ~~(g)~~ **(h)** as that subsection existed on December 31, 2009, a transfer of territory that took effect January 2, 2010, because of the application of subsection ~~(g)~~; **(h)**, as that subsection existed on December 31, 2009, is instead considered to take effect January 1, 2010, without any additional action being required.

SECTION 67. IC 36-4-3-22.1 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2021]: **Sec. 22.1. Not later than ten (10) days after an annexation ordinance is filed under section 22 of this chapter, the annexing municipality shall provide notice to the chairman of the alcohol and tobacco commission in accordance with IC 7.1-4-9-7 of any licensed premises located within the annexed territory.**

SECTION 68. **An emergency is declared for this act.**



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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