

HOUSE BILL No. 1407

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-3-12-5.

Synopsis: Farm winery sale of beer. Clarifies that an additional location of a farm winery that is separate from the winery may sell beer.

Effective: July 1, 2020.

Forestal

January 15, 2020, read first time and referred to Committee on Public Policy.



Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

HOUSE BILL No. 1407

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

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

- 1 SECTION 1. IC 7.1-3-12-5, AS AMENDED BY P.L.285-2019,
2 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2020]: Sec. 5. (a) The following apply to the holder of a farm
4 winery permit:
5 (1) A holder is entitled to manufacture wine and to bottle wine
6 produced by the permit holder's farm winery.
7 (2) A holder is entitled to serve complimentary samples of the
8 winery's wine on the licensed premises or an outside area that is
9 contiguous to the licensed premises, as approved by the
10 commission if each employee who serves wine on the licensed
11 premises:
12 (A) holds an employee's permit under IC 7.1-3-18-9; and
13 (B) completes a server training program approved by the
14 commission.
15 (3) A holder is entitled to sell the winery's wine on the licensed
16 premises to consumers either by:
17 (A) the glass;



- 1 (B) the bottle;
 2 (C) a box that contains a bag designed for storing and
 3 dispensing wine; or
 4 (D) any combination of receptacles listed in clauses (A)
 5 through (C).
 6 (4) A holder is entitled to sell the winery's wine to consumers by
 7 the bottle at a farmers' market that is operated on a nonprofit
 8 basis.
 9 (5) A holder is entitled to sell wine by:
 10 (A) the bottle;
 11 (B) a box that contains a bag designed for storing and
 12 dispensing wine;
 13 (C) bulk container;
 14 (D) the case; or
 15 (E) any combination of receptacles listed in clauses (A)
 16 through (D);
 17 to a person who is the holder of a permit to sell wine at wholesale.
 18 (6) A holder is exempt from the provisions of IC 7.1-3-14.
 19 (7) A holder is entitled to advertise the name and address of any
 20 retailer or dealer who sells wine produced by the permit holder's
 21 winery.
 22 (8) A holder for wine described in IC 7.1-1-2-3(a)(4):
 23 (A) may allow transportation to and consumption of the wine
 24 on the licensed premises; and
 25 (B) may not sell, offer to sell, or allow the sale of the wine on
 26 the licensed premises.
 27 (9) A holder is entitled to purchase and sell bulk wine as set forth
 28 in this chapter.
 29 (10) A holder is entitled to sell wine as authorized by this section
 30 for carryout on Sunday.
 31 (11) A holder is entitled to sell and ship the farm winery's wine to
 32 a person located in another state in accordance with the laws of
 33 the other state.
 34 (12) A holder is entitled to sell the farm winery's wine to the
 35 holder of a supplemental caterer's permit issued under
 36 IC 7.1-3-9.5 for on-premises consumption only at an event that is
 37 held outdoors on property that is contiguous to the farm winery as
 38 approved by the commission.
 39 (13) A holder is entitled to be the proprietor of a restaurant that is
 40 not subject to the minimum gross food sales or the minimum
 41 projected food sales set forth in 905 IAC 1-41-2 and the gross
 42 retail income requirements to sell carryout under IC 7.1-3-20-9.5.



- 1 A holder is entitled to conduct the following activities:
- 2 (A) Hold a beer retailer's permit, a wine retailer's permit, or a
- 3 liquor retailer's permit for a restaurant.
- 4 (B) Transfer wine directly from the farm winery to a restaurant
- 5 that the farm winery has an interest in by means of:
- 6 (i) bottles;
- 7 (ii) bulk containers; or
- 8 (iii) a continuous flow system.
- 9 (C) Install a window between the farm winery and an adjacent
- 10 restaurant that allows the public and the holder of the permit
- 11 to view both premises.
- 12 (D) Install a doorway or other opening between the farm
- 13 winery and an adjacent restaurant that provides the public and
- 14 the holder of the permit with access to both the farm winery
- 15 and restaurant.
- 16 **(14) A holder is entitled to sell beer purchased from a**
- 17 **wholesaler by the glass for consumption on the premises only,**
- 18 **including at an additional farm winery location that is**
- 19 **separate from the winery as described in subsection (b), solely**
- 20 **under the authority of the farm winery permit.**
- 21 (b) With the approval of the commission, a holder of a permit under
- 22 this chapter may conduct business at not more than three (3) additional
- 23 locations that are separate from the winery. At the additional locations,
- 24 the holder of a permit may conduct any business that is authorized at
- 25 the first location, except for the manufacturing or bottling of wine.
- 26 (c) With the approval of the commission, a holder of a permit under
- 27 this chapter may:
- 28 (1) individually; or
- 29 (2) with other permit holders under this chapter, holders of artisan
- 30 distiller's permits, holders of brewer's permits issued under
- 31 IC 7.1-3-2-2(b), or any combination of holders described in this
- 32 subdivision;
- 33 participate in a trade show or an exposition at which products of each
- 34 permit holder participant are displayed, promoted, and sold. All of the
- 35 permit holders may occupy the same tent, structure, or building. The
- 36 commission may not grant approval under this subsection to a holder
- 37 of a permit under this chapter for more than forty-five (45) days in a
- 38 calendar year.

